

A Year Under Robinson-Patman by John H. Crider • The Battle of the Check-Off by Whiting Williams • One Big Union for Business

### HOW THREE CAN GET TOGETHER

# MILES APART



THEY'RE in different cities. One is the district manager of asphalt sales for an oil company. One is a field representative. One is a customer. In a brief telephone conference (that is, all three talking on the same connection), they're clearing up a question of contract deliveries that might have dragged into days and cost a lot of dollars.

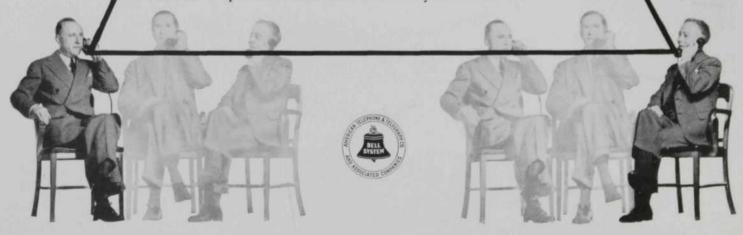
#### TWO OTHER ACTUAL CASES

1 The sales manager for a heating equipment company, unable to visit out-of-town branches as often as he'd like, holds monthly telephone conferences with branch managers to supervise sales activities, announce new products or prices, and keep in

close touch with market conditions.

2 The head of a wool marketing association uses telephone conference service to discuss important matters with committee members in four different cities at a fraction of the cost of personal meetings.

Telephone Conference Service is fast, adaptable, meets many business and social needs. Up to six telephones (more, by special arrangement) any distance apart can be connected at one time. Every one hears and is heard, as if in the same room. . . . Just ask Long Distance for the "Conference" operator. Rates were recently reduced.



BELL SYSTEM CONFERENCE TELEPHONE SERVICE

# How Business Buys its Cars

Is King

A TAXI FLEET tests Plymouth...specifies Plymouth. A sales organization checks Plymouth upkeep and running costs...buys Plymouth. That's today's car-news in hundreds of cities all over the country!

What's the big reason?...Economy! Of "All Three" low-priced cars Plymouth costs least to run...and that



Lowest oil bills,..and owners report 18 to 24 miles per gallon of gasoline.

takes in more than just gas and oil. It means savings on tires, on valve-grindings, on all items of maintenance. That's why so many business firms are using Plymouths...why Plymouth is known as the carthat stands up best.

#### Salesmen are Human, too!

Take a salesman who's been driving in the restful, Plymouth "chairheight" seat...who has escaped fa-

tigue from bumps and vibration...who's experienced the relaxation of a scientifically "hushed" ride...who has been completely *free* from driving strain...

Ask him what Plymouth's comfort means..."Better work...more sales!" Ask the man who employs him... and he'll point out the figures in black and white that prove Plymouth is the best car for business.



Greater Comfort, Inches of extra head room...leg room and elbow room.



You Relax—with these huge shock-absorbers!

#### Ready to Turn'em in?

PLYMOUTH'S resale value is highest of any low-priced car. Why?...check the reasons: Floating Power engine mount-

ings...all-steel body...double-action hydraulic brakes... X-braced frame...chain-driven camshaft...a new Hypoid rear axle, formerly on high-priced cars only.

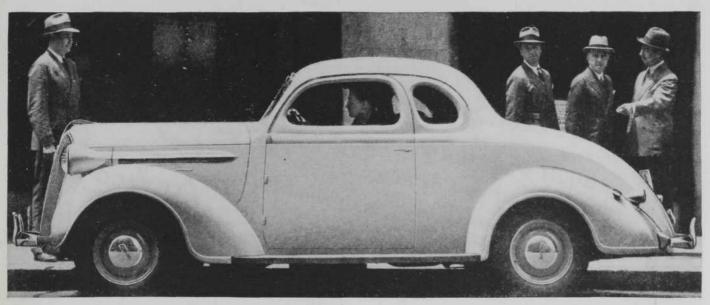
They make Plymouth stand up, last longer, stay out of repair shops. And—every mile is easier.

#### Something you Can't Laugh Off

PLYMOUTH'S business success is a matter of open record...recognized and accepted everywhere. It is there-

fore a matter of importance to you—to any car buyer.

Worth considering first—this car that proved it's the best buy of "All Three" low-priced cars...because it's the car that stands up best! Plymouth Division of Chrysler Corporation, Detroit, Michigan.



PRICED WITH THE LOWEST—The Commercial Credit Company has made available—through De Soto, Chrysler and Dodge dealers—very convenient payment terms.

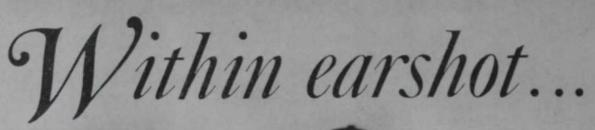
TUNE IN MAJOR BOWES' AMATEUR HOUR, COLUMBIA NETWORK, THURS-DAYS, 9 to 10 P. M., E. D. S. T.

### The Best Car For Business



...The Car that Stands Up Best

TEXACO

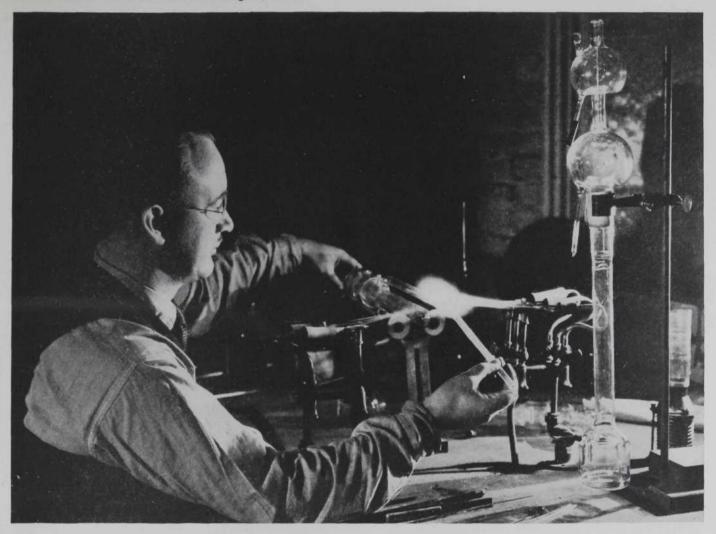




2070 WAREHOUSES on which you can draw . . .

Not far from the factory whistle of any industrial plant in America is a Texaco "bulk station." It stocks all types of industrial lubricants. Your telephone and a Texaco truck ensure rapid delivery . . . at 1 or 100 plants. Texaco's trained Lubrication Engineers cooperate in selecting and applying petroleum products. If a lubrication problem needs solution NOW, call

THE TEXAS COMPANY in 48 States



### Hands That Shape Modern Living

SKILLED hands that join glass and metal so that the human voice can reach millions of listeners. They first fashioned the high-power vacuum tube on a principle used today in every broadcasting station. They built the x-ray tube which has become an indispensable aid to the physician. They are the hands of craftsmen in the General Electric Research Laboratory, in Schenectady.

They are the hands that enacted much of the thrilling history of the tubes in your radio, of phototubes that outperform the human eye, of sodium lamps that make night driving safer on many American highways. Skilled and experienced, these craftsmen built the

first models of many of the new devices which now play an important part in modern civilization.

Research combines the abstract genius of the mathematician, the ingenuity of the experimenter, the practical skill of the craftsman. Our whole American system is built on the co-operation of many hands and minds to translate the findings of science into an abundance of the necessities, comforts, and luxuries we all desire. More goods for more people—at less cost—is the goal of American industry. It is the goal toward which G-E research has made and is making significant progress.

G-E research has saved the public from ten to one hundred dollars for every dollar it has earned for General Electric



# What Cast Iron Pipe means to the **EXREMIAN**

WILL there be enough water? Will there be pressure? Will the water

reach the top floor?

When a fire occurs in a city with an adequate water distribution system constructed of cast iron pipe, the fireman can count on his ally—water. To save

lives and property.

For home, industrial and fire-fighting use, cities large and small depend on cast iron pipe for water distribution. More than 95 per cent of the pipe in the water distribution systems of the 15 largest cities in this country is cast iron pipe.

Cast iron pipe brings the first necessity of life, pure water, from mountain rills to your faucet. It serves for a century or more, so economically and reliably as to make pure water supply an amazingly inexpensive public service.

Cast iron pipe costs least per service year and least to maintain. It is the only ferrous metal pipe, practicable for water mains, gas mains and sewer construction, which rust does not destroy. Made in diameters from 1½ to 84 inches, with joints and fittings for all requirements.

## **CAST IRON PIPE**

FAITHFUL SERVANT OF THE PUBLIC





THE CAST IRON PIPE RESEARCH ASSOCIATION, THOMAS F. WOLFE, RESEARCH ENGINEER, 1011 PEOPLES GAS BUILDING, CHICAGO, ILLINOIS

# QUESTIONS our readers are asking:

are asking:
1 • CAN the \$15,000,000 which it is proposed to spend to count the unemployed actually mean any accurate information? . ANSWER ON PAGE 18
2 • WHY should it be difficult to tell whether a person is unemployed or not?
3 • WONDER what my secretary thinks of me? on page 21
4 • WHAT is that "large scale organization of industry" all the politicians are talking about? ON PAGE 22
5 • WHAT'S going to be the outcome of all this labor fuss—and what should I do about it?
6 • DO these agreements that have been signed with CIO really mean complete unionization? ON PAGE 25
7 • WHY not risk a little money in gold mining? With the price so high, it seems you might do pretty well. ON PAGE 28
8 • NEW YORK seems to have done a good job in cleaning out racketeers. Do you suppose their plan would work in our town?
9 • YOU hear a lot of talk about paper- making in the South, but have they really gotten anywhere with it yet?
10 • WE'VE been working under the Robinson-Patman law for a year and I can't see that it has made much difference.  Can you? on page 38
11 • I SPEND money for advertising and I carry good merchandise, but business isn't very good. I wonder why? ON PAGE 42
12 • WHY doesn't our sales manager mind his own business? ON PAGE 74
13 • HOW do you suppose the ice industry makes any money with all these new mechanical refrigerators competing against them? ON PAGE 81
14 • HOW can a local enterprise deal successfully with a nation-wide labor organization? on page 96
What is Coming in September

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### NATION'S BUSINESS . CHAMBER OF COMMERCE OF THE UNITED STATES

Merle Thorpe, Editor & Publisher

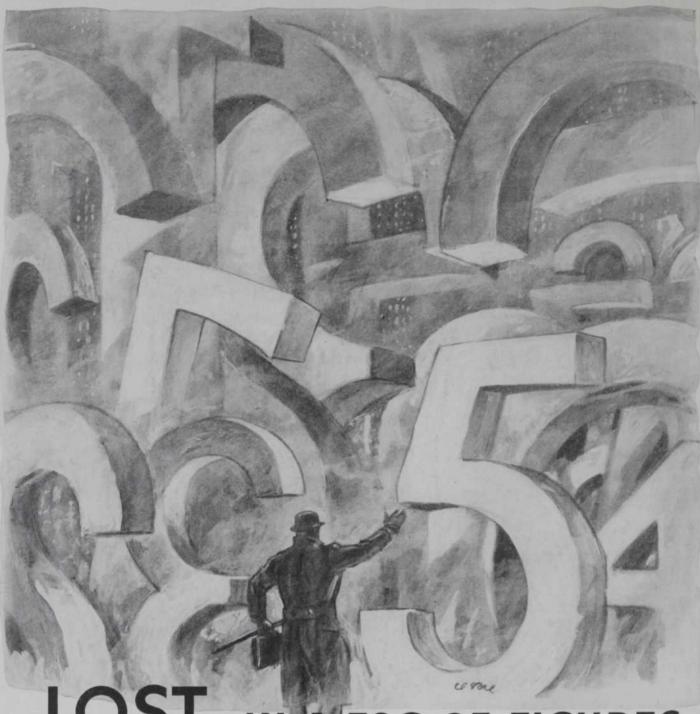
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VOLUME 25

GENERAL OFFICE—Washington, U. S. Chamber Building, Branch Offices— New York, Graybar Bldg. San Francisco, 433 California Street. Dallas, 1101 Commerce St. Chicago, First National Bank Building. Atlanta, Chamber of Commerce Building. As the official magazine of the Chamber of Commerce of the United States this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.



LOST.. IN A FOG OF FIGURES

OW, more than ever, business wants all the clear and useful figures it can get. Prompt,

accurate figures that keep coming along without interruption are the surest help to clear business vision.

Monroe's whole function for twenty-five years has been to clear up business figures-to turn them out as simply, quickly, and cheaply as they can be produced. Today, Monroe offers a machine for every kind of figuring-adding-calculators, adding-listing, bookkeeping, and check writing machines.



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IN food plants, in mills, in factories all over the country, brilliantly white DULUX saves money.

This gleaming, durable finish not only is *whiter* than ordinary finishes, but it *keeps* its whiteness longer. It is easier to keep clean.

The long-lived whiteness of Dulux means fewer repaintings and greatly lowered maintenance costs.

Dulux Super-White is the finest white enamel for walls and ceiling modern chemistry has yet developed. Its greater whiteness, its durability, its economy are typical of the superiority found in du Pont finishes for every purpose.





# Through the EDITOR'S SPECS

#### Industrial conspiracy

HO, HUM! August weather, vacations and day dreams.

Your favorite chocolates for 1938 may contain centers of percolated spinach! Or—if you prefer—carrots or peas.

For vitamins are creeping up on us. Right under the satin ribbon, through the cellophane and into the glamorous candy box! U. S. Patent 2,069,388 is capable of extracting them from cabbage (we prefer kale!) and letting that lowly vegetable at long last take its place in lace paper and sentiment. Ourselves, though conservative, are determined to test the first tomato gumdrop, and are not wholly antagonistic to the idea of a watercress tang with our coffee and cigarette.

The manner of achieving it is all pretty complicated to the non-chemist. It involves "milk-sugar," "whey," "percolating" and "spray-drying." All we know is—it has been hard enough heretofore to identify a nut chocolate from a cream, and we are glad to leave it to the sensitized palate of the rising generation to bite into vitamin B where it had anticipated A, C or D.

We ate *our* spinach to *get* our sweet. If the bribe itself had treacherously concealed spinach, we would be leading a rebel army somewhere today.

Who knows but that flavors may soon dictate to industry as colors have come to do? It's not so far a cry from eye to palate. One gets the idea from Clifford Clay, a Britisher, whose discussion of flavors and geography gives a glimpse of what might be done. Mr. Clay says that trade may place a product in almost any part of the world, and may educate the public taste, but can never change the deep-seated instinct of a race.

For example, the northern Scandinavians may now eat fruit for breakfast but "probably because it is more tasty than Epsom Salts." Seems that people in southern countries turn naturally to sugar as the easiest way to produce bodily energy and heat, while northerners prefer to "take it" in fats. So the farther north you go

the less sugar and the more fat you will find in your caramel.

The higher the latitude the louder the call for fruit, nut and marzipan centers. Alcohol, of course, decreases the "cloy."

In confections, musk and sandalwood are chosen flavors in the far East, and Russia has Subrowka (which, it seems, tastes as a sweetgrass basket smells). Denmark is partial to pineapple, and all western Europe fancies black currant.

Maple gets by a little in England, but because it was in a synthetic form that it first met the British tongue, the confident merchant who sent to Canada for a ton of genuine maple sugar to use as flavoring was just out of luck. To his customer, it wasn't the "real" maple to which he had become accustomed.

Peanut and black-walnut are not generally welcomed abroad. But peppermint is all right with the European consumer unless, as Messrs. Gilbert & Sullivan pointed out, it is puffed in your face. Most of it is marked "Made in U. S. A." and sold as "Wayne County."

Evidently America is alone in the enjoyment of our favorite—winter-green. Abroad—so states Mr. Clay—"wintergreen in tooth-paste, yes. In liniment, yes. In food, no, definitely and absolutely No!"

#### Twelve little words

A UNITED STATES Senator, who perhaps feels more at home in attacking the motives, integrity and honesty of everyone else, recently spoke in favor of packing the Supreme Court. The speech was reported in the Congressional Record. In it the Senator quoted Jefferson, but, on account of the time running short, or something, he did not finish the quotation. He stopped before Jefferson's sentence was finished. He left out twelve words. Here is the way he had Jefferson speak, and we take the liberty of adding in italics the twelve words of the sentence which he forgot to quote, as well as another sentence which Mr. Jefferson added:

It has long been my opinion, and I have never shrunk from its expression,



# Where Mite is Right

• Classed among the smallest pieces of rolling equipment on the Erie, midget scale test cars serve a purpose most important to shipper and railroad alike. Their sole use is to maintain the highest standard of accuracy in the many huge track scales located on the Erie.

These scale test cars are only one of the many ways Erie protects shippers' interest—assures accurate weights—saves them time and money.

With fast freight handling equipment, improved signaling devices and new equipment, Erie makes deliveries on time—and safely. Let the Erie agent show you how to save on your next order.

the Scenic Erie

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between New York, Binghamton

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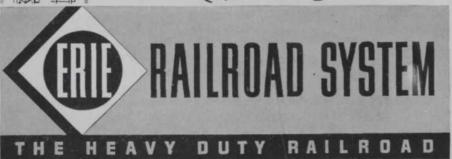
Chautauqua Lake,

Elmira, Buffalo, Chautauqua Lake,

Youngstown, Cleveland, Akron, Chicago

Youngstown, Chicago

Youngstown,



that the germ of dissolution of our Federal Government is in the judiciary—the irresponsible body working like gravity, by day and by night, gaining a little today and gaining a little tomorrow, and advancing its noiseless step like a thief over the field of jurisdiction until all shall be usurped from the States, and the government of all be consolidated into one.

To this I am opposed, because, when all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated.

Zeal on the part of "friends of the people" often outruns their honesty.

JEFFERSON'S FEAR that Washington might become the center of all power was well-founded: According to figures ferreted out by another Senator:

Four million, nine hundred thousand persons regularly live on federal funds. It would seem that about seven families in the United States now support a federal family.

Seventy thousand federal employees have been added in Washington alone in four years, the total now is at 117,000. More federal jobs have been created since 1933 than during the first hundred years of the nation's existence. In three years, 1933-36, a quarter of a billion was expended in new Federal buildings outside Washington, yet it was necessary to lease 12,000 additional buildings.

Really, Jefferson deserved to be quoted more accurately, especially his prophecy, not that the judiciary was to be feared, but that centralization of power, "venal and oppressive, from which we separated," might return.

EASIEST TRICK OF THE MONTH: The Tennessee Valley Authority has placed all its employees on a 30 hour week basis. . . . Uncle Sam pays the bill and the taxpayers pay Uncle Sam.

#### Producer by proxy

AMONG individual producers of income in 1936 the largest was manufacturing, which provided \$14,253,000,000. The Government was next with \$9,243,000,000, inclusive of work relief wages.—From a Department of Commerce report.

Tut, tut! No government can produce a single thin dime.

#### Premises on the bias

A WELL-KNOWN and influential columnist writes that at last we have social security; that England has had it for 30 years; that America might have had it if our business men had not been so selfish in opposition, etc.

Why is the public so receptive to the charge that business men always oppose any "reform"?

To consider the case in point: Business men, by any test, are as eager to see the future of each man and woman secured as any welfare worker or politician. If the business man were inordinately selfish, he would desire persons to have purchasing power. What, then?

The business man is a realist. When a quick and easy road to an objective is suggested to him by a high-powered salesman, political or otherwise, he crosses his fingers. Caution is the middle name of the successful industrialist. He proceeds by trial and error, a little step at a time out of the certain and tried path. Of necessity in his business he must anticipate obstacles, so when he searches for the "outs," the earnest ones belligerently dub him a hard-boiled reactionary. All he wants is to argue about the road-map; he's for the destination.

When the starry-eyed one offers the premise that because some other country has so and so it leaves him cold. He has been to that other coun-

In his realistic way, the business man asks: How does the progress of the workman in England compare with the progress of the workman in America during the past 30 years in question? But such catechising only tends to infuriate the social planners.

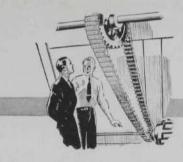
THOUGHT FOR MIDSUMMER MEDITA-TION: Just ahead "there may be the grim and fateful choice whether civilization must be carried on by superior ability or surrendered to superior numbers.-W. M. Hendren.

#### Stranger than fiction

HOW far-flung are the ramifications of business! A solitary oysterman never suspected that his shells might some day help form the synthetic stone supporting the lofty towers that in turn support the graceful cables of Golden Gate Bridge. Nor, more certainly, did the mechanic who tuned up a seven-ton gas locomotive suspect that it would one day be embedded in that pile of oyster-shell concrete. During construction of the bridge the engine and three cars of concrete plunged 100 feet into the abutment. No hope of recovery, so cement was poured over them, and the Fireman's Fund Insurance Company made good the loss.

The towers, by the way, while supporting a bridge 700 feet longer than the next largest simple suspension bridge in the world-the George Washington-can withstand a horizontal wind force at their tops of 1,900,000 pounds. The bridge can. sway 21 feet in a 90-mile gale.

The cables are the largest ever spun. They contain enough wire to



### TOLD YOU WOULDN'T ANY MORE"

To some, this statement may be a surprise. Because they do more, you may expect Morse Chain Drives to cost more. This is not true, however. Their cost is in line with that of other drives. And their maintenance is far simpler and less expensive. There are Morse Chains thirty years old, still operating. And Morse Positive Drives are the easiest drives to install

Teeth, not tension, turn Morse Drives. Their action is positive, smooth, steady, constant. In one case, in a paint mill, they doubled production. In a difficult threading operation, they stepped up production from 2400 to 5000 a day.

Write or call and see what Morse Positive Drives can do for you.

#### MORSE CHAIN COMPANY, Ithaca, New York

Offices in principal cities Division of Borg-Warner Corporation





Send for your FREE copy of the Morse Silent Chain Engineering Data Book, Full of use-



CHAIN COMPANY ITHACA N. Y. DIVISION BORG-WARNER AN ADVERTISEMENT OF THE WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY · EAST PITTSBURGH, PENNSYLVANIA



When granddaughter says she "does her own work," Grandma chuckles!

"CHILD, did you ever touch a smelly old kerosene lamp?" Grandma asks. "Every morning, I used to collect a dozen from all over the house, fill them and trim the wicks. The smoky glass chimneys had to be washed in hot suds, rinsed and polished. You make your rooms light as day by just snapping a switch.

"My home had coal stoves in most every room, with coal to

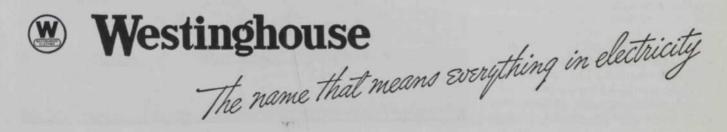
carry and ashes to empty. With your automatic heat, there's no lifting and no dirt.

"Before I was your age, my back had been strained over a washboard. Washing's hardly work at all in that electric laundry of yours.

"Spring cleaning was always a nightmare. How your father hated taking up those heavy carpets and beating them! You can spring-clean in a few minutes once a week with your vacuum cleaner.

"Electricity does your work, my dear. You just boss the job!"

And the electricity which frees granddaughters from drudgery, and gives them leisure, light, radio and refrigeration, costs only about twenty cents a day, or less than a penny an hour.



build a fence 6 feet high on both sides of the main highway from Canada to Mexico.

#### The female of the species

WE WERE full of the millions of wires in the lofty cables of Golden Gate Bridge when we ran into Mr. Pigeon, a private maker of surveying instruments in Washington. From him we learned of a humble competitor of the great cable manufacturers. The smallest spun thread used in industry is that of the female spider. For the cross hair of each telescope and surveying instrument tiny filaments of spider web (4 to 15 onehundred-thousandths of an inch) must be stretched on dividers and placed in the transit. Before 1775 gilt silver alloy thread and silk fibers were used. But since David Rittenhouse, an American astronomer, initiated the use of spider webs this woman in industry has known no serious competitor.

The threads are usually taken from the cocoon where they are so compactly wound that 15,000 miles of them can travel comfortably in a one-pound package. An emergency supply of them was carried last month to the South Seas by the National Geographic Society-United States Navy Solar Eclipse Expedition.

The supply seems to remain equal to the demand. Mr. Pigeon says he has never heard of a sit-down strike among the spiders, though they are admirably fitted by nature and habit to out-sit the manufacturer.

Mr. Pigeon, by the way, after lugging an instrument over 5,000 miles of hill and dale, decided to go in for making instruments. Besides the standard instruments, he has designed and constructs soil-testing devices for use in connection with road work and dams.

Young engineers pay \$200 to \$500 for an instrument while more complicated machines are much higher.

Once Mr. Pigeon came into possession of the German instrument dated 1860 that had been used by army engineers in surveying the Northwest Lakes. He sold it to Cornell University.

#### Distinction with a difference

Two New York insurance agents have caused the organization of insurance companies in the Bahamas with a view to enabling taxpayers to secure spurious deductions (on their income tax returns). . . . Py this means five prominent Americans sought to evade nearly \$550,000 in income taxes in the years 1932 to 1936.—Secretary Morgenthau, quoted by President Roosevelt.

"AVOID" is the word, not "evade." Evasion is illegal, with penalties of heavy fines and imprisonment and with Executive Department of the Government sworn to enforce such laws. "Avoid" is something else again, and as readers of NATION'S BUSINESS may recall, avoidance of taxes was advocated in these columns by a former Commissioner of Internal Revenue. He said, and to our editorial mind, with admirable common sense, that such avoidances brought to light would enable Congress to plug loopholes and thus frame a more equitable tax law. And he added sententiously that the Bureau must take advantage of every technicality, and sauce for the Tax-Gatherer was sauce for the Tax-Goose.

#### Fun

A SWIMMING instructor recently described to us a difference in temperaments of Americans and those of other countries.

"In Europe," he said, "a group goes swimming for pleasure and decides to swim over to an island. They start out with a leisurely breast stroke, talking to each other, looking at the clouds, enjoying themselves.

"Americans in the same spot yell, 'Last one to the island is a sissy!' Everybody jumps in, threshes to the island with a six-beat crawl, hauls himself up on the dock and pants, 'Who won?'"

Perhaps this national trait explains our progress. We thrive on competition, not only in our play but in our work. And we devise games out of the most unlikely materials. The horseshoes pictured by Photographer Gendreau on our cover are an example. Primarily designed as strictly utilitarian products they have been adapted into a game which millions have enjoyed. American business men have done the same with shoes and ships and sealing wax, with steel and automobiles and piece goods. These games are not played in vacant lots or finely equipped gymnasia. They are played daily across the counters and the office desks of the nation. They are actually not games at all-but jobs that have to be done. But Americans, by their enthusiasms, their ambitions, have made them games.

That is a point too often overlooked by those who would devise rules by which the man who can "throw the most ringers" may still lose the game.

#### Add Court fight

Who bought what?

All we have of freedom, all we use or know,

This our fathers bought for us, long and long ago;

And from whom?

Lance and torch and tumult, steel and grey goosewing;

Wrenched it, inch and ell and all, slowly from the king.—Kipling.



another new Time Recorder—an inexpensive machine designed particularly for those organizations where a larger investment is not justified.

EVERY KIND AND SIZE OF BUSINESS MAY NOW SECURE THE DEPENDABLE PRINTED TIME INFORMATION NEEDED FOR ACCURATE SOCIAL SECURITY RECORDS.

Sturdily and compactly built, this machine conforms in every way with International's high standards of design and manufacture. It uses standard size cards (specially designed for Social Security use) and prints in easy-to-read bold type.

Electrically operated, it may be set up anywhere for instant use—ready to deliver many years of continuous, satisfactory service. Available in models for daily, weekly, two-weekly and semimonthly pay-periods. For complete details, mail the coupon.

INTERNATIONAL BUSINESS	
MACHINES CORPORATION	1
270 BROADWAY, NEW YORK, N. Y.	
Please send me complete information about your new low price time recorder. N.B.	-
FIRM NAME	
STREETSTATE	



Look at this sad picture, and ask yourself, "Am I gambling the whole future of my loved ones on the possibility that a blowout can't happen to me?" Remember, there is no such thing as a blowoutproof tire! The only certain protection against this dread menace is the revolutionary Goodyear LifeGuard\* Tube that makes the worst

> blowout as harmless as a slow leak.

Even when a tire

blows wide open the Life-Guard Tube retains enough air to keep the casing inflated - to keep the car under perfect control long enough for you to slow down to a safe stop without lurchingno matter how fast you have been driving!

Don't put off getting Life-Guard Tubes another daytheir price is only a small fraction of the cost of a blowout in suffering, money and regret. You can't buy better protection to save your life!

TAKE THE TERROR OUT OF BLOWOUTS



This remarkable safety tube consists of a reserve two-ply inner tire INSIDE the regulation tube, both inflated by the same valve. When the casing blows out only the outer tube lets go. The inner tire holds enough air to support the car without lurching until you can come to a safe stop.

FOR PASSENGER CARS TRUCKS . BUSES

"My tire blew out in ribbons at 70, and I'm sure that the only thing that kept me from turning over was a Life-Guard Tube," says Claude Fay, Deputy Sheriff, Fresno County, California . . . .

"I WOULDN'T DRIVE ANOTHER

MILE WITHOUT LIFEGUARDS'

"LIFEGUARD is a trade-mark of The Goodyear Tire & Rubber Company, Inc., and is protected by patents applied for



### Truth in Need of a Press Agent

THE PRESIDENT of a Detroit steel company laments:

It is a darned shame that we have reached a point where corporations have to pay large sums, not to sell steel and other things, but rather to sell our American economic system.

This represents a state of mind that is becoming more and more general. A shame, indeed!

Recently a well-known industrialist in the course of a friendly discussion said that one of his mechanics working in England would receive only half as much in buying power as here, and only a quarter as much if he were working in Italy. And he added more information along the same line.

"Why don't you get out and tell the people that?" exclaimed one of his listeners.

But would that be in the national interest? Would the nation profit if its business leaders took time out to learn to become public speakers and debaters? Would there be more things for more people if the producers had to extend their statistical activities to cover all industry? Would the laborer be better off if his boss spent hours each day, as politicians do, in seeking the telling phrase, the homely illustration, the retort discourteous, to woo the multitude?

Time was when statesmen accepted the responsibility of informing the public. Time was when political leaders stood before "the demagogue and damned his treacherous flatteries without winking." But today is another day.

What an opportunity for leadership! A union labor picket lays aside his club to take pen in hand and write Washington: "Please send troops to prevent my neighbor from leaving his home to go to his job tomorrow. I may be unable to restrain myself and may murder him."

And no one to arouse the people to wrath and anger over such a spectacle!

In New York City W. P. A. "workers" put on a hunger strike, later forced the administrator, a representative of the federal Government, to remain a prisoner in his office all night. The press carried the news in detail. Was there an outburst of righteous indignation from the real workers who were providing the dole? There was not.

And thousands of government officials, chosen and sworn to uphold government, make it necessary for business men to give the people a course in elementary economics—and in civics.

The business man should be allowed to stick to his last. Being a Good Provider is a Godgiven chore. Advertise, instead, Men Wanted! Statesmen who understand deeply the American way of life and who have the courage to defend it against alien doctrine; to whom patronage in dollars or jobs is an insult; who know that the loss of economic freedom carries with it the loss of political freedom.

If America is to retain her industrial supremacy over the 59 other countries of the world it needs just that. The times cry out for leaders to arouse America to an appreciation of her free institutions, where free enterprise has brought material and spiritual blessings beyond the imagination of men.

Our national well-being depends upon a wider understanding of our industrial processes. H. G. Wells spoke truly of us when he said, "It is a race between understanding and catastrophe."

Merce Thorpe

# NO COUNTERFEITING ITS FLIGHT

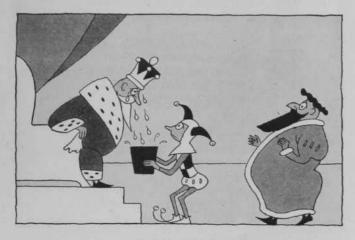
Agile and sure, this proud bird still holds mastery of the air. But once clip the wings of the swallow-tailed kite, swiftest of all feathered speedsters, and its power is gone. Ever a top-flight performer, the Mimeograph likewise does its stint with unmatched agility, certainty and ease, if all Mimeograph products are on the job. It makes fine prints fast, at low cost, when the equipment for it, invented and developed by us, is used in its entirety. Let us show you the why and the wherefore of this important fact. Write A. B. Dick Company, Chicago, or see classified 'phone book for local address.



### NATION'S BUSINESS MAUGUST 1937

# Utopia and /or Bust\*

By PAUL McCREA



### ACT ONE

THE PALACE OF THE GOOD KING WASSAIL.

As the curtain rises the King sits on his throne weeping into a bucket held by the Court Jester. This scene of majestic sorrow is interrupted by the entrance of the Prime Minister who speaks:

#### PRIME MINISTER:

Oh, from such scenes of royal woe Let kindly gods deliver us. What grieves his kingly highness so, And makes him weep vociferous?

#### JESTER:

Alas, although his flood of tears
Would operate a turbine,
I can't make out what 'tis he fears,
Or what he finds disturbin'.

#### PRIME MINISTER:

Oh, upright King, refrain, abstain, Desist this tearful spatter, (A king should reign, but never rain,) And tell us what's the matter.

#### KING:

Oh, kind Premier, bend near and hear
Just why these tears are falling:
The land, alack, is out of whack,
Conditions are appalling.
For here and there is wealth to spare,
And yonder wealth too little;
Some men, I'm told, have hoards of gold,
While some have nary victual.

And so I sit with eyes a-drip;
This state of things displeases.
We need a plan so every man
May emulate Croesus.

#### JESTER:

Your plan, oh King, is just the thing, I'd like to help you sages.
I'll do my part, and at the start—
I'll let you raise my wages.

#### KING:

Oh, selfish fool, begone, or you'll Regret that application. You've got a nerve! You don't deserve A greater compensation.

#### JESTER:

Oh, King, most good, I understood
That worth no longer swayed us.
High pay, I thought, was what we sought,
Though it was earned or gratis.

#### PRIME MINISTER:

Oh, stupid ass, our plans surpass
The mental range of comics.
Please realize you're too unwise
For higher economics.

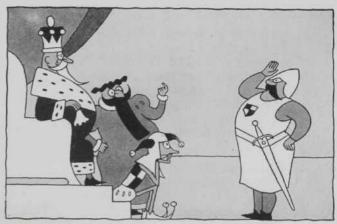
(The Captain of the Guard enters)

#### CAPTAIN:

Hail to the Court! May I report
That I've fulfilled my mission.
My soldiers bring unto the King
The long-besought Magician.

#### PRIME MINISTER:

You mean the guy we doomed to die Because of arts infernal?



PICTURES BY CHARLES DUNN

CAPTAIN:

Yes, that's the one.

PRIME MINISTER:

Nice going, sor

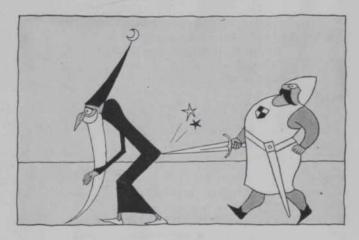
KING:

Well, fetch him in here, Colonel.

CAPTAIN:

O. K., my King, I go to bring
Him in. His magic lingers.
He might play hell and cast a spell—
You'd better cross your fingers.

(He goes out)



#### PRIME MINISTER:

I fear we'll rue this interview
For, should this fiend bewitch us,
'Twould end the scheme of which we dream
To give our people riches.

KING:

My dear Premier, please have no fear; With magic I'm conversant. With fingers crossed, his power is lost, He either can't or dursen't.

(The Magician comes in)

MAGICIAN:

Oh, King, most blest, I do protest Indignities like this'n. My simple charms have wrought no harms— Why drag me off to prison?

KING:

This pious land has always banned Frauds, rites and guiles unsavory. The guillotine must intervene To terminate your knavery.

MAGICIAN:

You may know best, but I suggest
A moment's hesitation
Before you kill a man with skill
At prestidigitation.
He might abate the cares of state
By witchcraft, plain and fancy,
From hour to hour increase your power
By secret necromancy.

KING:

Go to, and jump into the pond,
What you suggest is freakish—
Exchange my scepter for a wand,
An amulet and fetish?

JESTER:

And still, perchance, although his plan's Not absolutely cricket, To make men rich, it seems a witch Might be the proper ticket.

KING:

What's this about?

JESTER:

I'm pointing out
That magic might provide us
With money free to guarantee
All men the wealth of Midas.

KING:

Oh, mystic man, say if you can, By runes or incantation, Put golden means in all the jeans In our beloved nation?

MAGICIAN:

I must deplore so small a chore.
My talents you embarrass.
It is no trick to make each hick
A millionaire or -airess.

KING:

Then bring a pail of golden kale
To mamma, babe and papa,
A sack of jack in every shack
From Malachai to Joppa.
And I'll agree to set you free.
Begin your mesmerism—

PRIME MINISTER:

Oh, King, look out, I have a doubt That what we do is wisdom. Suppose he tries to mesmerize Us into apes, we'll rue it.

MAGICIAN: (Aside)

Be not afeard for, by my beard, Someone has beat me to it.

(He chants)

Fee, fi, fo, fum, come, Pixies, come, Arise and do my bidding— Let dollars fall! Now hit the ball, And Papa isn't kidding.

(A sack of gold falls out of the sky and hits the Jester on the head)

PRIME MINISTER:

Good lord, what's that? It knocked him flat.



KING:

It's dollars! Saints preserve us!

MAGICIAN:

When Papa asks for simple tasks, The Pixies give him service. This golden shower will, in an hour, Make all men independent.

(Aside) I won't be back; I brought the jack— It's up to them to spend it.

(He goes out)

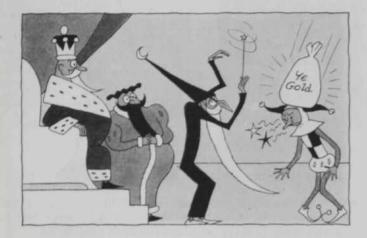
KING:

My mind's relieved, our goal's achieved— Away with melancholy. Let laughter ring; sing, minstrel, sing, And let the world be jolly.

JESTER:

Go to, oh, King, I shall not sing.
Accept my resignation.
Hire other wags to write your gags.
It's quite beneath my station.

(He goes out carrying his sack of gold)



KING:

My good Premier, he's acting queer, It was that blow that did it.

PRIME MINISTER:

No golden sack hit me a smack, I wonder where they hid it.

KING:

Wait, good Premier, we've business here— A problem we must wrestle.

PRIME MINISTER:

I've got to go and find my dough, It must be at my castle.

(He goes out, meeting the Captain coming in. The Captain carries a bag of gold similar to the one that hit the Jester on the head)

CAPTAIN:

Oh, King, the army says good bye;
They've quit, so please forgive them.
A gold barrage fell from the sky—
And I am quitting with them.

(He goes out)

KING:

Alas, alack, who would have thought To see this sad condition,



That gold which men receive for naught Would crucify ambition? Who would have believed how gold would change

The persons it was sent to?
When all have gold—When all? Say! Hold!
I wonder where mine went to?

(He rushes out as the curtain falls)

### A C T T W O

THE HOME OF A POOR WOODCUTTER the next morning. At rise of curtain, the light is dim. A rooster crows, the stage grows lighter, revealing a bag of gold on the table. The Woodcutter's wife enters stretching and yawning.

WIFE:

Ho-hum, ho-hum, the dawn is come,
From toil my spirit winces.
Why could it not have been my lot
To have been born a princess?
Then I might stay in bed all day,
By every care forsaken,
While breakfast waits on golden plates
To tempt me when I waken.
No hand I'd turn to sweep or churn,
I'd none of mop or kettle;
No cow I'd milk; in finest silk—

(She finds the sack)

What's this? It feels like metal.

It's gold! It's coins! John! Shake your loins,
Wake up! Come here this minute!

When I awoke I found a poke
With golden ducats in it.

(The Woodsman comes in)

WOODSMAN:

What's all this now? What's all the row? Your chattering bewilders—

WIFE:

Mind what I say. This isn't hay— It's kronen, groats and guilders!

WOODCUTTER:

You're right. The swag that's in this bag
Is every bit as much as
A king might own upon his throne—
We're rich as duke and duchess.

(Continued on page 62)



PHOTO ILLUSTRATIONS BY GEORGE LO

# The Big Job



The head of the house has a job but it ends to-day. He has prospects of another next week

A BILL now before the Congress proposes an appropriation of \$15,000,000 to finance a count of the unemployed. Maybe you are for it. I am, if it will provide the information so generous an expenditure ought to give us.

Will it? Could it?

First of all, any census of a community's unemployed, to say nothing of a nation's, is an enormous job. I know that because, skirting 20 years as head of a public employment office in a city of some 2,000,000, part of my job

was to gauge the extent of unemployment. I was never sure I could have done the task adequately if given all the money I might ask for.

The reason? I was not then clear, and am not today, as to when a worker is "unemployed." Can you be? Nor did I ever meet two persons who agreed as to what the term meant.

Whatever definition is chosen will be riddled by what the statisticians term "Factors of Error."

If you doubt that, make your own definition of unemployment. Now, imagine that you are one of the workers engaged to count the unemployed:

It's a fine morning and you're off to canvass the unemployed on a certain street.

A barber shop has the corner, so you pass to No. 3 and ring. An aproned figure, 40 odd, comes to the door drying her hands. You find the head of the house, an electrician, is working; has been, in fact, for the past week but that the work will be completed today.

"Then he'll probably have to look another month for work."

He has, though, you learn from her, fair

prospects of "getting on the first of the week" in a renovating job at a movie house close by.

"He's handy around cars and could have had a van driving job in March when he was out of work but he didn't want to leave me alone for such long spells."

That's all. No relatives or adult offspring.

You cogitate:

Working all right but he won't be tomorrow. Of course that's the life all through the building game. However, he could have had a steady job, she said, with a storage and warehouse firm. Guess I'll mark him. . . .

A husky figure, past 50, answers the bell at No. 5:

"Sure, bub, plenty of us here out of work. Sit down. My trade? Molder for 29 years but ain't worked at it since '27. Can still hammer sand with the best of 'em but can't carry my iron any more. Guess I'm through, for foundry's all I know, unless I can land something lighter. Ought to be good for a job of some kind, don't you think? Relief? Yeah, I'm on it. Wouldn't be if I could get something steady like watchman or running an elevator. Joe-that's my boy-got fixed up at the public employment office. Nothing steady, you understand; just common labor at the refinery; two or three days a week; it's too heavy for him. Good clerk, Joe; writes a fine hand-like Katie."

Kate, you find, is yet to get her first job. She's "down at the shore" a couple of days visiting a neighbor's daughter in a bungalow which father and neighbor threw together when things were slack.



# of Counting the Countless

By KENNETH COOLBAUGH

A MAN experienced in the field explains why efforts to get figures on unemployment have failed in the past and points out a factor which, if it continues to be overlooked, will mean failure in the future

You stroke your head:

The old boy looks good for ten years more as a worker but he's certainly not trying to get a job. The kid's employed—if you call that employment. The girl's unemployed . . . or isn't she? She never had a job. Must a person have had at least one job before I can list him unemployed? Let's read that definition again.

The shades are drawn at No. 7 as a wan smile beneath





"I'm not unemployed but I'd take a job if it was offered to me"

tired eyes greets you:

"I can hardly answer that, though I do need something right away now that Mr... now that I'm alone. Yes... I suppose I ought to be classified as unemployed but it's been so long since I've done

anything but keep house I wouldn't be very sure of myself—even in teaching. I taught school until I was 21. No, I'm the only one of the family here. The children . . . A woman boards with me temporarily but she's out today answering an ad for a housekeeper. That's a position I could fill, don't you think? If you should ever . . ." You gaze at and around her and muse:

I'll say she's a housekeeper. I'd back her running a boarding house—or one of those quick and dirties I've eaten in.

Unemployed?

No. 9's for rent.

A 12-year-old turns the pages of No. 11's "Who's Who."

Daddy? In his thirties. Formerly a driver-salesman for a packing house. Mother has been talking about how sorry she is she quit that cashier's job at the chain grocery. Would take it tomorrow if she could get it. Said she was going to Relief Headquarters this morning; that "we ought to have more relief money now that Uncle Eddie's living on us." Uncle Eddie?

"Why here's Uncle Eddie now!"

Eddie must be all of 25. Dresses well, But . . . Eddie

won't talk and you know instinctively that if he did you wouldn't believe him.

Next door you find a situation somewhat complex. Five in the family—father, mother, two sons, a daughter—all of employable age and all, mother excepted, have definite marketable vocations. Father, a patternmaker, has been ill and is drawing Workmen's Compensation. A month more of rest and he may be on the mend; probably, but not for sure. His old job awaits him—should patternmakers continue scarce. You list him as . . . but never mind.

#### Employment status of strikers

THE boys, Frank and Bill, are welders but Frank hasn't checked in at the oil refinery for a fortnight and Bill, who works at a metal furniture factory, hasn't been home for a week. But their jobs are waiting for them. They're on strike. Frank, in sympathy for striking workers of another craft; Bill's sitting down. Sister Gladys, a typist, also isn't working but she will be the first of the month—if a promise of her first job materializes. Still it might not.

On the sidewalk again you run through your notes:

Father looks employed to me. His old job's as sure as anything can be these days. Meanwhile he gets compensation. But the boys... Washington should have covered such cases in the manual before sending us out, Wonder why it didn't? And there's the girl... Oh, well, I'll mark her "Employed." She's been promised a job. Wait a minute! ... If she doesn't get it, she's "Unemployed." ... But if I mark her "Unemployed" as of today and she gets the job what good will this census be by the time all the reports are in?

A retired locomotive engineer is your host at No. 15.

"No, friend, I don't think you

"Mother would take her old job in the grocery if she could get it" ought to list me as unemployed though I'm not saying, mind you, I wouldn't take a job, with not too long hours, and congenial, if it was offered to me. My pension sees me through but I get restless sometimes. Nobody of my immediate family left. I'm lucky to have a niece who keeps house for me. Yes, her husband lives with us, or me with them; it doesn't matter. Good, serious boy but somehow he doesn't seem to get along. A salesman on commission. Selling photographs now. Last month it was an advertising dodger—calendars and rulers.

"I feel sorry for him. He works so hard and never loses hope of getting a job he can put his heart and teeth in, as he says. My niece? No, I wouldn't list her, if I were you. Last night when I slipped her some money, she vowed she'd get a night job of some kind even if it's scrubbing office floors; anything so she won't have to lean on me.

I wouldn't be surprised if she did."

You leave and the thought strikes you:

Suppose she does that very thing—tonight? And I've listed her "Unemployed." How many like her are there who'd jump at a job to regain what they feel is their self-respect, or because



"I do need work since my husband died, but it has been a long time since I did anything except keep house"

they need a little more money or prefer work to being idle? I wonder how many of them listed in this census as "Unemployed" will be working tomorrow or a month from now?

Then suddenly you realize you've taken more time than you expected and that you must speed things up. You do, and soon sense that the faster you work the less thorough your data and judgment must be.

As you return to the office you review the economic status of those you've talked with. At some houses everything was clear. No unemployment by any yardstick or a pure case of unemployment by the one you decided to hew to. But...

What about that business-college graduate who declared she'd go on relief before she'd accept the starting salary that necktie

(Continued on page 102)

### Romance Versus the Boss

DON'T read this if you have had a bad day. If things have gone well and you are feeling proud of yourself, it may have a helpfully deflationary effect

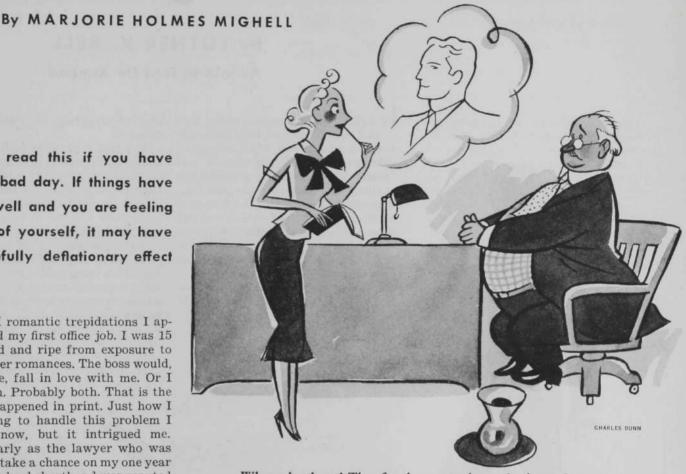
WITH romantic trepidations I approached my first office job. I was 15 years old and ripe from exposure to pulp paper romances. The boss would, of course, fall in love with me. Or I with him. Probably both. That is the way it happened in print. Just how I was going to handle this problem I didn't know, but it intrigued me. Particularly as the lawyer who was going to take a chance on my one year of high school shorthand was reputed to be a Casanova. So I plastered on some additional spit-curls and went

What a let down! That first boss was plump, jowly, pudgy-fingered, insipidly mustached, losing his hair. He said waggish things at which I was supposed to laugh. He said sarcastic things, too, which were intended to make me a better stenographer for all the bosses to come.

He was conceited, boastful, He cheated on his income tax and on his wife. On hot afternoons he would sneak out for golf, admonishing me to inform her and the general public that he was off on important business. Roughest of all on my adolescent illusions, however, was the fact that he kept a spittoon only for clients, reserving the waste basket for his own use. And I had to empty it!

I felt infinitely superior to and sorry for the little creature who had chosen to spend the rest of her life with that hulking ogre of the swivel chair, while at five o'clock each day I could snap the night lock on everything that was a shuddering reminder of The Boss.

grown children, a Presbyterian elder, Envelope 16 under L. . . ."



What a let-down! That first boss was plump, jowly, pudgyfingered, insipidly mustached, losing his hair

an officer in several service clubs. In short, a pillar of society. At first glance he would have made a luscious victim for secretarial wiles. He was handsome. Tall, well built, curly iron-gray hair, a Barrymore profile. That profile! I could still draw it upside-down and backwards. Didn't I have hours and hours to study it while he sat slowly dictating and redictating cumbersome, grandiose phrases for the simplest letter?

#### A mania for files

HE was methodical to a point of madness. A place for everything and everything in its place was his axiom down to the last paper clip and pen point. He kept an elaborate filing system which grew more intricate with age. When he was not busy he sat around thinking up new records to keep. When he actually wanted to find something it was like a treasure

"Look in Catalog A, Page 97; go to My second boss was the father of Cabinet X, Card O; Ha! Ha! See

He could talk an interminable time without saying anything. He was so generous with his services, so kind and considerate that he made most people ill at ease. On hot afternoons he would bring me ice cream cones or cold drinks. On cold nights he would take me home in his car, carefully opening the back door so that I could ride behind him in conspicuous innocence, thus avoiding the breath of scandal that is supposed to taint employers and their secretaries.

He was so honest he was in constant fear of cheating somebody; so clean he reeked of antiseptics; so moral that he suffered vicariously for all lovers of worldly pleasures. He was a swell man, but poor material for romance.

Boss Number Three was a temperamental young man. He initiated me by waving his arms and bellowing the first day I graced his typewriter. Where the devil had I learned to spell, anyhow? I'd have cried and gone home to Mama, only by that time Mama was far, far away and I had to

(Continued on page 110)

# We Need One Big Union for

By LUTHER K. BELL As told to Fred De Armond



## **Business**

"LABOR is on the march! So ought industry to be on the march. It is incredible that, with millions of employees organized, not one great industry in this country is organized as it should be."

ish labor, for example, progressed in four decades.

American business has known no such cohesion, no leadership in any sense comparable to that which has fanned the burning enthusiasm of workers. Labor organizers, adroit in playing upon the emotions of men in the mass, have magnified the shortcomings of business and thereby magnified themselves as leaders in the eyes of their followers.

Particularly has this been true of the "social justice" dust storms which have temporarily blinded the reason of millions. These millions are now beginning to see that their interests are divergent from those of a belligerent labor unionism not entirely free from the very evils it condemns.

There are two ways out of the chilling shadow which this labor dilemma has cast over the economic future of America. One is negative, the other positive, and each complements the other.

First, even in its private thinking, business should not continue to deny to labor its inherent right to collective bargaining.

Second, business should reappraise,

realign and revitalize its own organ-

izations. The structure is in existence,

both general and specialized, in the shape of the Chamber of Commerce of the United States and in the hundreds of associations serving trade and industry. Business needs only to use the tools that lie ready to its hand.

For nearly five years this country



the depression-fear. In the 1932 campaign-expectation. During NRA -delusion. In the 1936 campaignpersonal condemnation. Under the sitdown era-animosity and antagonism. And now-disillusionment. We have sown the wind of innuendo, "economic royalist," "prince of privilege," and other inflammatory suggestions; we are reaping the whirlwind of envy, suspicion and class consciousness. Reason has fled before emotion temporarily out of control. Yet reason will return when appealed to.

The cause of the depression has been laid entirely at the door of industry, notwithstanding the evidence that individuals followed the same unheeding course in the good days as did business, and the present spectacle of a government running wild on tion's first approach to an economic solution was the NRA. Much to their subsequent embarrassment, most business men fell for this because it was cleverly drawn to appeal to their cupidity.

But it is history now that NRA was an illusion. It was based on emotion. Emotion was the drumstick: the drum was personality.

In the great battle of personalities for control of NRA, labor leaders outsmarted industrialists and remained on top of the heap when it was time to clear the wreckage away. Two reasons accounted for that. First, an employee's empty stomach has a greater popular appeal than an employer's empty pocketbook. Second, labor leaders, in those early, crucial days of NRA, when Section 7A was being applied, played square with each other,

has been misgoverned by emotion. In a spending toot. The Administra- by and large. Can the same be said of industrial leaders?

> The result likewise was dual. Industry was divided into as many armed camps as there were codes, each bristling with guns leveled at others; while labor was united in objective. It was the day for opportunistic labor leaders.

#### Labor got the benefits

LABOR seized the only worth while salvage from NRA-the power of organized bargaining with an opponent who had largely neglected his own organized defenses. Instead of echoing Mr. Roosevelt's disparagement of the Supreme Court, or sneering at it as did John L. Lewis when the Wagner Act was upheld, labor should rise up and call the Court blessed, because it did the greatest possible service for labor when it declared NIRA unconstitutional.

Had the National Recovery Administration been allowed to continue a course of disintegration already well on its way, the inevitable collapse would have discredited the recoverers, reformers and other sundry Messiahs. At the same time, it would have driven trade and industrial interests closer together and thereby strengthened them. In due course those who consume would have revolted.

Next to the Supreme Court, labor has industry itself to thank for the present situation—that is industry, and the political pastime of witch hunting. True to its centrifugal instinct, business pursued its several ways on labor policy. Some corporations went to court and by injunction sought to block operation of the Wagner Act. This action was misrepresented as meaning that business, which laborites and left-wing politicians believe or profess to believe is itself highly organized, wished to deny labor the same right. Thus, every move that industry made placed it in a worse light with superficial thinkers.

Even so, matters would not have been so bad had not the ether been charged for nearly five years with denunciation of the "money changers" and "robber barons" of big business, with the constantly repeated insinuation that there is wealth enough for all to be comfortable if those who have the real power will force a sharing of it. Then it was but a step from the general to the personal.

This, then, is why business should coordinate its organization machinery on a scale never heretofore attempted or required. Such action should be along two parallel lines.

First, the trade associations should revitalize and expand their activities.

(Continued on page 96)



### The Black-Connery Bill

HE PROPOSED Labor Standards Bill, now pending in Congress, would wipe out all the previous efforts to put agricultural production on a parity with work in industrial production, George H. Davis, president of the Chamber of Commerce of the United States, told the joint Congressional Committee on Labor at its hearings on the Black-Connery Bill. The bill under discussion would give a governmental board of five members virtual power to establish minimum wages and maximum hours in every major industry in the United States.

Mr. Davis called attention to opinions of supporters of the measure who believed it would be a failure if it did not raise costs. In view of the government's expenditure of \$1,900,000,000 to bring agriculture up to a parity with other fields of industry, Mr. Davis pointed out that it would seem inconsistent and disastrous to raise costs for things farmers must buy to such an extent that their parity would be destroyed.

Other features of the bill that would prove harmful to business, Mr. Davis said, included the penalties section which would punish and place a "taint" upon persons who bought commodities in good faith and shipped them in interstate commerce.

In addition to difficulties of enforcement which the Government learned from its NRA experience, Mr. Davis referred to the danger of continued uncertainty of future costs which would follow passage of the bill. If business men are threatened by changes in their costs during a future period, through hour and wage orders from an official board, they are bound to hesitate, and keep their future commitments down to a minimum.



The dues of the "middleof-the-road" workers are indispensable to permanent union success

### The Battle of the Check-Off

By WHITING WILLIAMS

### My dear Mr. Employer:

YOU ask "What's going to be the outcome of all this labor fuss—and what should I do about it?"

Well, of course, nobody knows the outcome. But perhaps it may be helpful to set down here a few of the situation's angles as I see them at the moment. Like this:

One • Neither CIO's agreements as already signed with auto and steel workers nor those others now being so-bitterly fought for represent, I believe, anything like complete, final unionization.

Instead, they merely put into ink the actual condition required by law—the condition of the "open shop" or, better, the "open market"—an open opportunity for the Employer and for the Labor Leader to demonstrate to the workers the value of their competing wares and services. (See Nation's Business, March, 1937.) Mainly the agreements represent the union's taking of an order, its promise to deliver certain values.

**Two** • The final outcome of these agreements will, therefore, depend on whether these promised wares, services and values when, if and as actually delivered meet the requirements of those typical, middle-of-the-

MR. WILLIAMS counsels his employer friends to take to heart now the example of Job's war-horse—"He smelleth the battle afar off, the thunder of the Captains and the shouting"

road, reasonable employees who constitute, say, 60 per cent of the ordinary working group.

The dues of these middle-of-theroaders are indispensable to permanent union success. But the prime interest of these middle-roaders is in one thing—to obtain the maximum satisfactions of their daily job. They are willing to accept whichever leadership—of employer or of leader they decide is able to help most to that desired maximum.

**Three** • The CIO-type union's job of satisfying these indispensable middle-roaders in the industries now under attack is greatly *complicated*:

a. By the notably low caliber and slight organization experience of the local CIO leaders.

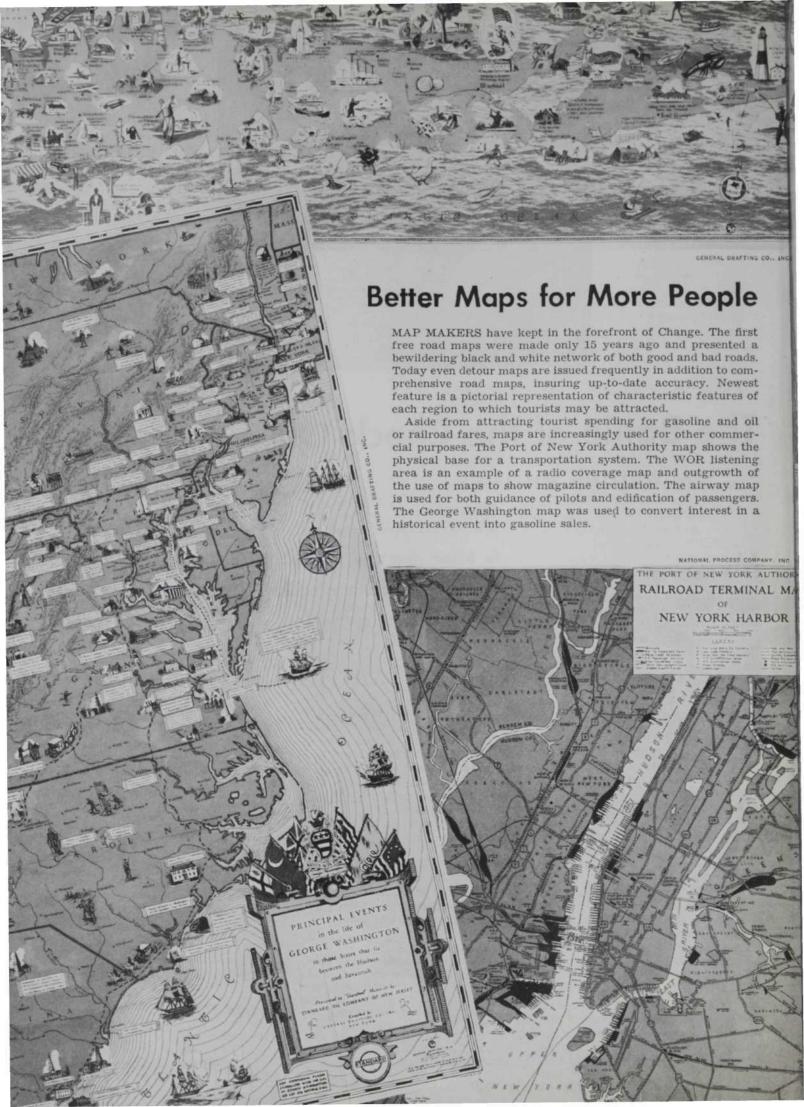
To anyone who knows the heavy demands put upon any and every local leader, it is unthinkable that enough men of the proper sort can suddenly be found for manning the colossal sector of American industry now "occupied" by these agreements. To any wise observer it is plain that this inexperience has led

too many of these leaders first, to promise their followers far and away too much and second, to overexpand their already overlarge sectors—as when Toledo auto leaders take in glove-makers, bakery-men, picklepackers and what not!

Recent events—including General Motors' 236 post-agreement stoppages—have certainly raised serious question whether these untrained leaders are able to exercise enough control over their members to deliver any value to anybody. This, of course, explains the unwillingness of the steel employers to sign what has been shown so often to represent an "agreement" binding on only the employer. Such lack of control is troublesome enough for him. It is even more unsatisfactory to the middle-roaders.

Thus, in Akron, the sit-down has become a boomerang. By taking all possibility of control away from the leaders and giving it to any small group of (inexperienced) members, it takes away from every worker in the plant any possibility of work-regularity or security.

"While the sit-down was mak-(Continued on page 92)







The western mining camps are booming

AN ancient Buick labored along the upper road. A gaunt, browned man steered a carload of family to the top of the hill and as it passed over the crest I noticed an Iowa license. Scraping the mine muck from my boots, I entered the Little Treasure boarding house.

"Tourists are sure starting to pass through early this year," I observed, to no one in particular. Being the boss, I received an answer.

"Yeah, I noticed a Kansas and a couple of Nebraska licenses in town yesterday," said the cook. "They ain't regular tourists or they wouldn't be hangin' around an old minin' camp like this. Some of them been around two or three days. Seem to have about everything they own with 'em. Maybe the Corn Belt's just heard about the price of gold goin' up."

A few days later the town bandied the report that Ed Tully was about to start up the old Scepter property, backed by Iowa capital. A few inquiries developed the facts.

The family from Iowa had stopped in town to inquire the way to the Park. They happened to ask Ed Tully. Tully was a typical, old-time miner and looked as though he had personally dug half the prospect holes in the Rockies. A man in his sixties, active and with a look of honesty in his clear eyes, Tully had owned the Scepter mine for 30 or more years. It had produced at one time a goodly amount of high-grade ore from oxidized, surface deposits which had turned to low-grade ore at depth, too low grade to mine.

Tully P. T. Barnumed his man with dispatch.

"What do you want to go to the Park for? There is just as good scenery around here and the livin' is a lot cheaper. You're goin' through the richest little gold camp in the whole state. A lot of the boys around here are getting rich. Why, there's Baldwin over at the Little Treasure; you passed his mine comin' up the hill; he came in here

less than a year ago and last month shipped \$8,000 worth of gold concentrates. When Roosevelt raised the price of gold he sure made this camp. Why man, in the old days, before flotation was discovered and when gold was only \$20 and we had to haul our ore 40 miles by team to the smelter, we couldn't mine anything under \$25 a ton in value and most of the old-timers walked off and left mines with lots of ounce ore in them.

#### Lured by high-priced gold

"NOT me! I always said that gold was going higher so I stayed and held on to the best little property in the camp—the old Scepter mine. Now with flotation we can save 95 per cent of the gold in the ore instead of only 50 per cent as in the old days, get it hauled to the mill for \$1.25 a ton by truck, and, best of all, ounce ore, which used to be worth only \$20, is now worth \$35. I'm looking for someone for a partner who has—"

The Iowan became Ed's partner forthwith; he had sold his farm and had about \$20,000.

Hundreds of laymen from the East, South and Middle West, totally ignorant of mining as a business, are going into mining ventures continually, on just such sales talk and with no enlightening investigation. They do make local inquiries, which are almost invariably answered with a boost for the Ed Tullys. Why not? Tully has lived and worked in the camp for years, has many friends, and besides he owes all the local merchants long overdue accounts.

If Tully finds a backer, these merchants get paid; and then, you never know, it's possible that Tully's mine is really as good as he thinks it is and

# Don't Let \$35

IT is a fact that the rise in the price of gold and better technique in mining have made it profitable to work many mines that failed 20 years ago. But, before you decide to take a flier in gold mining, read this advice to prospective sourdoughs

will become a rich producer. Even inquiries in the county seat meet with the same reassuring answers; he owes old accounts there, too, and has always been "regular" and voted with the right bunch.

Don't get the idea that Tully and men like him are crooks or wittingly dishonest. There are dozens like him, miner-mineowners, in every western mining camp. They have spent their lives underground, working for others when broke, working on their own properties when a little stake has been accumulated and they invariably believe, in all honesty, that the mine or prospect which they own will develop, with just a little more capital, into a rich producer.

This mining camp we are talking about is typical of most mining communities today. They all have mines which were worked profitably in the early days, then shut down for years. Many are now inaccessible, and the alluring stories which may be heard about them from the old inhabitants make Anderson's Fairy Tales as factual as the Census Report in comparison. Stories of the rich ore left and covered up by disgruntled workmen -the lost veins - the rich stope drowned out by water, now drained by such and such a tunnel—the big deposit of tellurides, left by the former operator who didn't know it was rich gold ore. Credence is given to such tales because the get-rich-quick lure of gold makes one want to believe

Tully was an old-school miner.

"These Diesel engines may be all right but when I've got men on the bucket, good old-fashioned steam for me"

Accordingly, he and his new-found partner bought for \$3,000 a complete

## Gold Mislead You

#### By STANLEY M. WALKER

steam plant from a machinery junk yard—a big bargain; the plant had cost \$20,000 new—sometime in the early 'Nineties.

After several weeks, it was set up and ready to go, water was run into the boiler and innumerable little geysers resulted, spurting water all over the place; if there was a tube that didn't leak they couldn't find it.

Tully was reassuring.

"Don't worry about that, partner, we'll fix her up, pronto. There ain't a man in the county can beat me rollin' boiler tubes."

Six weeks later the boiler was ready but then the compressor tubes developed leaks and another four weeks were spent repairing them. Finally, at the end of four months and with more than \$8,000 of the Iowan's capital spent, the plant was running.

A new, Diesel-driven, compressor and hoist could have been bought, on time, for \$500 down and \$200 a month, been in operation in two weeks with the cost of operation less than half that of the steam plant.

Of course, the Iowa farmer was blissfully unaware of this. He was a good sport and, while he had chafed somewhat at the costly delay, he considered it part of the game and, after all, he still had \$12,000 left and they were now ready to take out the rich ore. He had, by this time, reached the point where he was shovelling nuggets of pure gold—in his sleep. Of course, they had to bail the water out of the shaft but this would only take a few days—according to Tully.

#### Troubles in getting out gold

THEY bailed for a couple of weeks when the old cable parted and dropped the bailer and half the cable into the sump. A week's fishing failed to salvage the bucket and they bought a new bailer and cable. Six weeks later the 100 foot level was dry and the Iowan got his first sight of the ore body which was to make him rich.

While the vein measured four feet in width, the high-grade ore streak averaged a scant six inches. It seemed disappointingly small to the Iowan but he believed Tully's encouraging "She's sure rich, partner."

At the end of a month they had mined and sorted 20 tons of ore which brought \$1,000. The expenses for the month had been \$780. Then the ore streak pinched out. As this was the first month since the farmer became a miner that he had not paid out \$1,000 or more, he felt that he really was on the way to wealth-that is, if the ore had not pinched out. Tully, however, rose to the occasion. The fact that the ore narrowed upwards was proof that it must widen downwards and all they had to do was unwater the shaft to the 200 foot level and start stoping from there.

At first the farmer enjoyed the enthusiasm of all neophyte gold miners. He came to the mine early and



ILLUSTRATIONS BY EARLE B. WINSLOW

The family from Iowa happened to ask directions from Ed Tully, an old-time miner. The farmer became Tully's mining partner forthwith

stayed late, working wherever his inexperienced labor could be used. As expense and delays began to get him down he exchanged his pick for a pencil and spent his time in futile figuring.

Finally he merely sat on the dump and arranged little twigs on the ground to spell "sucker."

All the newcomers seem familiar with the admonition "shoemaker, stick to your last" and they invariably do—to their last dollar.

They bailed for three months and eventually had to buy a pump. When they reached the 200 foot level the ore was only two inches wide and unminable. They drifted and two months later had six inches of ore again. Thirty days produced 30 tons of ore but, instead of containing two ounces of gold to the ton, it contained less than an ounce and brought \$720, which just paid expenses. Another month's work accomplished the same result except that the compressor broke down and needed some expensive repairs.

#### The farmer goes to farming

OUR miner from Iowa was thoroughly disgusted. As far as the mine was concerned he still did not know what it was all about; local people had been constantly encouraging and he had never sought expert advice, but then these incipient miners never do until it's too late. One sad fact was a glaring certainty—he had only a few hundred dollars left. At last his wife's arguments prevailed and he loaded the family into the car and drove back to Iowa and became a renter on the farm which he had previously owned.

The moral to this is—it need not have happened.

After they shut down, one of the successful operators in the camp looked the Scepter property over. This operator was adequately financed, familiar with the most modern methods and equipment and advised by competent mining engineers. He bought the mine from Tully for \$4,000, installed cheap, efficient power, mined the entire vein four feet wide as mill ore, averaging about \$10 a ton, instead of trying to sort out a little high-grade ore, and is now producing 50 tons a day at a net profit of from \$2 to \$3 a ton.

While the Iowan suffered his experiences last year, there will be others like him this year. The crop of mining fledglings is, if anything, increasing.

Since the price of gold was first raised, much subtle propaganda has been and is being published bespeaking the opportunities presented by the gold mining industry. Every alleged gold discovery is reported with headlines and pictures. Several such reports which crashed the front pages were later proven to be complete hoaxes or of such little consequence that production from them has been almost negligible compared to the promise held out. Just such articles are turning the eyes of a large portion of the nation upon western gold camps. Such stories, when found to be erroneous, are seldom, if ever, retracted.

A small army of people is constantly being drawn westward by the lure of gold. The strangers grab obsolete machinery and methods, poor management or hopeless prospects. One-fifth of the money which is being

wasted annually, and which will continue to be wasted, if properly spent on the worth while mines and prospects which do exist, would increase gold production and aid the western states far more than those benefits, such as increased labor, sale of mine and mill equipment, insurance premiums, promotional commissions and the sale of mining claims, which are now being derived from wasted capital.

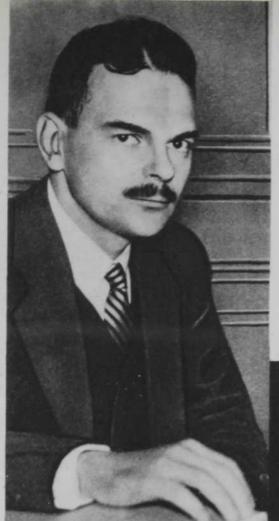
#### Inexperience causes waste

THE western mining camps are booming, it's true, and gold production has increased remarkably, but inexperienced capital is being wasted. The laymen who waste it have only themselves to blame. They wouldn't buy a house, back home, if they couldn't see the upstairs rooms.

The newcomers to the western mining camps seem to have the idea that the increased price of gold has overcome all the difficult problems of mining, and that, from a highly technical industry, mining has overnight become a ridiculously simple operation at which drunken men, lazy men and youths still in their industrial diapers may become rich in a few months.

One well known mining district, with a good past record of production, was a ghost camp until recently; not a mine was operating. Last year 12 properties were operating, employing about 160 men. Three of these were taken over by operators well financed and wise to the economics of mining; they are still running and making money. Two other mines were started by groups, technically advised but short of funds, they are (Continued on page 106)





Thomas Edmund Dewey

#### OM" DEWEY is a gentle wildcat. Not a tame wildcat. There is a difference. He is sufficiently housebroken to be kind and courteous and considerate. He likes all the things the rest of us like-cocktails and sailing and swimming and the theater and dancing. A small cash prize will be given to any one who ever heard him whack the table or roar at a witness or put on a "Big Man" show for the reporters. But he isn't tame. Ask the racketeers, if you doubt it. Some of the racketeers you cannot ask. They're dead.

When Dewey began to wildcat the rackets, New York City was on about the moral level of Port Said. Protests will presently come in from Port Said. Let them come. The cities differed in quality and kind of laxities,

The one is somewhere in the Near East, where souls run 32 to the pound and tulwars and backsheesh notoriously prevail.

The other is full of chlorinated characters and the highest towers on earth and paid anywhere from \$1,000,000,000 a year up to as high

# Formula for Beating the Rackets

By HERBERT COREY

NEW YORK was a fertile field for racketeers until it put Tom Dewey on the job. Other cities can't have Tom Dewey but they can employ his methods



One of Dewey's victims demonstrates his distaste for camera men

as you can imagine to persons whom the average sewer rat would cut dead.

New York paid it cheerfully, too. Bankers and lawyers and business men assisted. Dewey would not say today that he has beaten the rackets in New York City. That would be silly. No silly man could do what Tom Dewey has done. But he has left claw-marks all over them.

Dewey will not talk "between quotation marks" on what he has accomplished. There are pretty good reasons for that position. Reasons that appeal to Dewey, at any rate.

make him a powerful lot of trouble. The people he is fighting are either smart or can hire smartness. If he taps a so-called labor leader for the Dewey Society-one of the labor leaders who uses guns and black jacks and abuse on his stupid but loyal followers and makes thousands for himself-they say that he is an enemy of organized labor. His agents have been arrested at bank doors while the bankers were getting the racketeers out at the back doors with bags filled with dirty money. There are plenty of good reasons for the no A mistake in a quotation might quote position. But Dewey will talk

a little of what has been going on. No quotes.

"I want to get something to benefit and interest business men outside of New York. They are the audience of NATION'S BUSINESS. They want to know how to handle rackets."

Youth! That will lick the rackets. Honesty and subtlety and knowledge are all needed, too, but youth is the case ace. Only young men have the energy to keep on driving long after any wiser man can see that he is licked, and only youth has that fresh invention that leaves an odor of dead lilies on the stale old tricks, and only youth has that fine contempt for thieves and thugs and liars which is an unending motive force.

Youth will not compromise, either. Tired old men are willing to take some headlines screaming, "Triumph," de-louse a few bums, add a few thankful sermons and call the sum victory. Youth refuses to stop until the hides have been nailed to the barn door.

There's more than youth in the Dewey recipe, of course, but it's youth that puts the sparkle in the drink. Dewey could not have driven old men as these youngsters drove themselves. Fighting rackets was for them a swell combination of foxhunting, Edgar Wallace, Custer's Last Stand and the first three Crusades. Perhaps no youngsters ever did have such a good time. There is a wide-eyed young woman with a

heart-shaped face and extremely pretty feet who listened in my hearing to congratulations:

"That Venetian blind trick was swell. They never saw you at all. If they had—Oooh, Baby."

"It's been awful dull lately," said the young woman, wistfully.

#### They go through danger

MAYBE I'm wrong, but I gathered from the conversation that, for some weeks, Lloyds of London wouldn't have bet four dollars that she would come through unscarred. I'm afraid that kid has been spoiled for housework. Deadeye Dick would never have made a really first rate haberdasher.

We're getting away from Dewey in person. He thinks there is a major criminal acquaintanceship that covers the whole country. Not a corporation, of course. Each city and district has a more or less small, more or less complex, criminal organization of its own. Its sub-prefects work with each other or fight each other as the exigencies of their commerce direct.

They may be, as a group or singly, in friendly understanding with the police or hostile. But there is a loose fraternity between crooks that covers the country. The runaway from Baltimore can find aid, money, a hideout, and information in Boston. It is a fraternity of acquaintance and identical interests. What organiza-

tions there may be are purely local.

I am assuming from what Dewey has said-no quotes-that there are laws enough everywhere with which to smash the rackets that are everywhere. No new laws were needed in New York. Everybody had been complaining about conditions but nothing had been done about it. Murdering and cop-buying and thumping of citizens and arson and stink-bombing went on all the time. Some of the finest orations about civic virtue and the underprivileged ever heard had been delivered in New York. If at any time any one suggested that it was a good time to start something some one could always be found to demand more laws. Or something. Anything but a start.

So Thomas Edmund Dewey came into the picture. He had been 28 years old when, as Chief Assistant U.S. Attorney in New York, he sent Waxey Gordon to prison for ten years for forgetting a lot of things about his income tax. Gordon was a real bigtimer. He made millions, he had a gang, he had bankers, lawyers, politicians, hotel men, everyone who had noses good enough to smell dollars. But Dewey got him. The case lasted 11 days in trial, 140 witnesses were called, 11,000 documents were presented, and 140,000 documents were examined.

Dewey went back to private practice. Pretty soon it had become worth \$50,000 to \$75,000 a year. He is hand-



The men with stars in this picture are a few of those who were gathered in the Dewey net and helped to swell his record of 52 indictments, 52 convictions

INTERNATIONAL NEW



"Youth will beat the rackets." Some of Dewey's carefully chosen aides being sworn in

WIDE WORLD

some, wholesome, he is one of the handiest men in a court room on record, he was once a paid baritone in St. Matthew's and St. Timothy's Church on West 84th Street, and he can play squash-rackets in fast time. He was on his way to bigger yearly money.

#### A jury started something

THEN the "run-away jury" materialized in New York City. The Manhattan grand jury had been hearing tales, in both its legal and its personal capacities, of the rackets in New York City. So had every one else. They had been dismissed as interesting phases of an enormously complex civilization. That was said over and over.

It is the rule for juries, grand and petit, to take the tune from the district attorney or the judges or some one. The run-away grand jury tried to get something done about the rackets. Convinced that they were being deliberately impeded, the jury once barred an assistant district attorney from the jury room. They wrote a report to Governor Herbert C. Lehman which went into fervid detail. The newspapers supported them.

Lehman asked four well known lawyers—Charles Evans Hughes, Jr., Charles H. Tuttle, George Z. Medalie, and Thomas D. Thacher—to decide among themselves which one of them would take the job of racket-fighting. They said that the man for the place was young "Tom" Dewey. He made a name for himself when he dropped Waxey Gordon through the Atlanta manhole. He had put away Big Bill Dwyer, too, the ace bootlegger of

Manhattan, who had a mansion at Belle Harbor and a string of race horses and owned a popular hockey team. A federal tax lien alleged that Dwyer owed \$4,256,000 back taxes.

Dewey was the man for the place, the four lawyers said. He had what it takes.

"He isn't big enough," urged Governor Lehman. "He is not widely enough known."

The four lawyers said in effect "shoo."

So Dewey was appointed racket prosecutor. What he did in the matter of the Lucky Luciano case is still in vivid memory. Luciano was the emperor of New York City's redlight district. He lived in a tower suite in one of New York's best known hotels-the hotel men did not know what his business was. Dewey's activities disposed of the Ambergs and Dutch Schultz Flegenheimer and began work on the trucking racket and the electrical contract racket and the restaurant racket and the baking. milk, garment, used-brick, chickenkilling, policy and labor rackets.

These things have been told in the press. The wildcatting of the rackets by Wildcat Dewey is still going on. What I wanted to know was how he did it. What was his system? How had he been able to claw hell out of rackets in the most racket-ridden and racket-content city in the world? And just what is a racket?

"A racket," said Dewey, "is an infamous system of intimidation and cover-up by an organization formed for that purpose. Racketeering is almost an applied science. Only in the cruder rackets is violence still used. Apparently legal means are employed. Unfortunately our machinery of

criminal investigation and prosecution still rests on primitive methods. Complex criminal organizations are formed, are well financed, are not known to the public, and have influence in high places."

Mayor La Guardia of New York City joined Governor Lehman in backing him. Police Commissioner Valentine is an old-fashioned policeman. The politicians never liked him. He fought his way to the top as a straight policeman. He told Dewey he could have whatever he wanted from the Department. Dewey was given the money he needed, a free hand, and two judges who could not be reached.

#### Two judges for rackets

ONE is State Supreme Court Justice Philip James McCook, of the fighting McCook family. At 45 he won the D. S. C. in France with the A. E. F. The other is Supreme Court Justice Ferdinand Pecora, who was chief counsel in the Senate's banking investigation. Pecora was appointed to a special term running concurrently with McCook's term as racket trial justice. They were ready when Dewey was.

I have said that Dewey picked young men to aid him. Age could not stand the pace. He did more. He knew his four chief aides, for they had been his colleagues when he was chief assistant to Federal Attorney Medalie. They are William Bernard Herlands, 30; Jacob Joseph Rosenblum, 38; Murray Irwin Gurfein, 30; and Barent Ten Eyck, 34. Dewey knew most of his other chief aides. Perhaps all of them. He has 15 men and one young Negro woman on his legal

(Continued on page 112)

## A New Kind of Agriculture Comes to

Before the Nursery was put in—a typical piece of cut-over land in southern Mississippi. Submarginal for basic crops, it is cheap



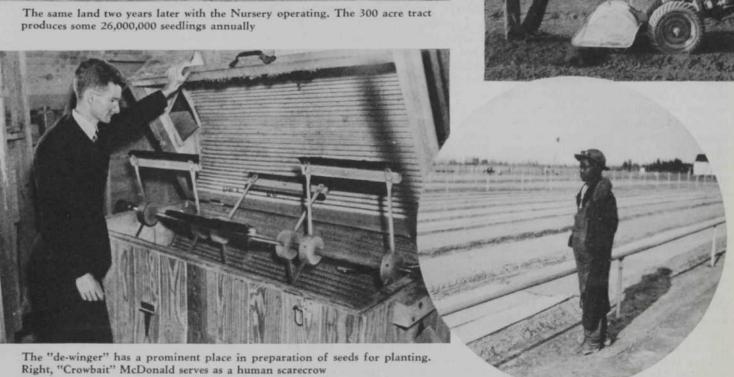
#### By ED LIPSCOMB

WHEN Dr. Charles Herty of Savannah, Ga., perfected his process for converting Southern pine into newsprint, he created the technological basis for a new industry which today is forging ahead at a rate so rapid that it promises to challenge the dominance of the northern woods as a source for newsprint paper.

This impending march of the paper industry into the deep South is in itself of sufficient interest to attract attention, but when its repercussions on both northern and southern economies are added to the whole it becomes significant to layman as well as to technician.

The commercial importance of the shift is not so much that the "New South" has received one more industry as that the newspapers and magazines of the nation have had opened to them a cheaper and amazingly extensive source of raw material. And it is not so much that the South is beginning to cash in on one more potentiality as

The Pulverizer breaks up the clods



the Piney Woods



The lifter scoops up the seedlings

it is that the new industry has come to that particular part of the South—the pine barrens—which at the moment needs new industry more than any other part.

The cheapness and availability of the new raw material are obvious. The abundant rainfall and long growing season of the pinelands make young trees in the South sprout like mushrooms. Slash pine is suitable stock for pulpwood within ten to 15 years, which means that Southern pine forests may be considered as a self-replenishing reservoir rather than as an exhaustible mine. Railroads and new highways now crisscross the open southern woods to make them seem more like plantations than forests. And because the leachy soil in the pine barrens is submarginal for basic crops, the forest land is cheap and plentiful.

What the new industry will mean to the belt of pine forests which sweeps like a crescent through the coastal plains around the southern Appalachians is well illustrated in the case of Moss Point, Miss.

Situated at the confluence of the Escatawpa and Pascagoula Rivers at the edge of the Gulf of Mexico, Moss Point was an important lumber cutting and shipping center in the 1890's. When a deep water harbor



AND AND AND SHAPE

Hauled by a tractor, this planting machine not only places the seeds in the ground, it covers them with burlap as protection. The tree in the

circle is five years old. It will make pulpwood in 15 years

Baling the seedlings for shipment. With the use of these special tables an expert baler handles up to 30,000 seedlings a day. The nursery gets 40,000 trees to a bed—better than 50 per cent on the seeds put down



After the harvest, pulpwood ready for the paper mill to be turned into raw material for tomorrow's newspapers

Pascagoula River lumber trade was diverted to ocean-going steamers at Gulfport; and the life blood of Moss Point was drained away. To offset this loss, Moss Point citizens desperately gambled their future on a paper mill which, beginning in a small way, soon became a pioneer in new processes for manufacturing paper from Southern pine.

In August, 1934, this paper mill (now a Southern Kraft Corporation plant) became the first in the South to make bleached Kraft paper from

pine. With its now giant mill running at capacity, Moss Point is in no sense a dead town today.

The possibility for development, of which Moss Point is an example, opens up new vistas for the people of the pinelands. A permanent supply of wood for the Moss Point mill is growing within a radius of less than 50 miles of the plant itself. Yet nearly the whole southern third of Mississippi, an area of some 15,000 square miles, is land which can produce pine faster than any other land on this continent. In one year before the World War this belt of yellow pine put Mississippi at the top of the United States in lumber production, with Laurel, Miss., cutting, and Gulfport, Miss., shipping more yellow pine than any other towns in the world. This first cut was of stock 30 years and older. With pulpwood instead of saw timber as the goal, the forest can be recut every 15 years.

As the finishing touch to a roseate picture of the future, natural reforestation in south Mississippi is being stepped up by the work of newlycreated national forests in keeping out fire and in replanting the cutover areas.

To speed up reforestation on its national forest holdings (now embracing almost a fifth of the southern third of Mississippi) the federal Government recently dedicated the W. W. Ashe Nursery at Brooklyn, Miss., a nursery which even before its dedication had produced 26,000,000 seedlings in a single season and broken the previous cost record of the Forest Service. This nursery occupies a 300 acre tract of good Orangeburg loam in the heart of the Piney Woods, al-

was opened at Gulfport in 1901, the most exactly half way between Laurel and Gulfport.

> In appearance and operation, the Nursery is much like a well managed farm. So remarkable, in fact, is this similarity that the work of the Nursery can best be described in the yearly cycle of farm life-from plowing, to planting, to weeding, to harvesting.

> December, January, and February have been found to be the best months for transplanting seedlings from the nursery beds to the Forest "plantations." Because of this fixed time, the Nursery must gauge its operations so

#### Water Smeller

So HIGHLY developed are the senses of Henry Laughlin of Tyrone, Pa., that he can turn on a faucet and, by smelling the water, determine its palatability. He has classified water tastes and odors into 30 different types; says that a very unpleasant water cocktail often results when a city gets a blended mixture from several different sources.

Most bad odors in water, says this "water smeller," are caused by harmless microscopic organisms that live in the water, giving off oily, fishy tastes. More than 1,000 cities now purify their water supplies by treating them with activated carbon, which is a hundred times more powerful in absorbing tastes and odors than charcoal.

Processing and delivering water is one of the biggest industries in the country, with an annual value of \$1,000,000,000. The per capita consumption is 100 gallons daily. It is as truly a manufacturing industry as is the making of steel, with a high degree of engineering and chemical skill required to maintain satisfactory symplice. satisfactory supplies.

Sediment must be precipitated out of the water, harmless bacteria killed and undesirable tastes and odors removed. If the water contains considerable organic matter, it must undergo a special process that jells such matter, causing it to settle out. If the water is too hard, it must be softened. The usual annual cost of treating water with a modern purifier is about three cents per capita.

that the seedlings will be ready for "lifting" in these months. "Harvest time" at the Nursery, therefore, is in the winter rather than in the fall.

In the summer, the Nursery advertises for bids for cones. Last fall its supply of 15,000 bushels of cones was provided by 35 contractors at bid prices of from 40 to 65 cents a bushel. The average farmer can gather 15 to 20 bushels a day.) The Government specifies that the cones must be gathered in September and October from standing or from freshly-cut trees.

When they reach the Nursery, the

cones are placed on racks in the storing sheds and allowed to "cure" for two weeks. The curing process consists of drying the cones evenly with freely-circulating air.

When they have been properly dried, the cones are run through the "extractory," a 150-bushel capacity dry kiln with temperature and humidity electrically controlled. The heating and drying process opens the cones enough to allow the seed to be separated easily.

From the kiln, the cones are run through the "shaker," a rectangular revolving drum which whirls the seed from the cones through heavy wire mesh into containers from which they are dumped into the "de-winger," which clips the "wings" from the seed by brushing them through three-sixteenth inch holes in the sides of a corrugated iron drum.

The seed are then run through a fanning mill which blows out trash, dust, and empty pods. After cleaning, a sample batch of seed from each lot is laboratory tested for purity, soundness, and length of germination period.

With its present facilities, the Nursery can turn 15,000 bushels of cones into seed in the three months of October, November, and December.

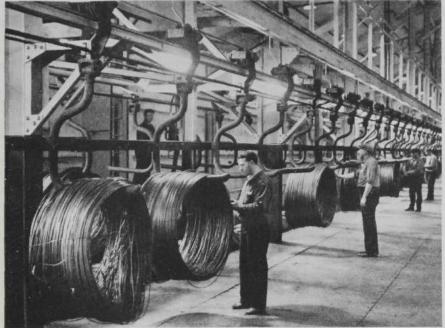
Planting usually begins in February, though experiments are now being made with earlier planting.

The preparation of the planting beds is a good study for the workaday farmer. The cover crop is plowed under (half the acreage is left in cover crops each year) and the ground is disked and harrowed much like the average farm, but the extra trouble the Nursery takes to

(Continued on page 107)

## Steel For Everybody Pig iron is cast in 80-pound chunks, mostly for sale to foundries or steel mills not producing their own Steel rope for heavy duty

Feminine eyes are famous for spotting flaws and for this reason every sheet of tin plate is carefully inspected by trained girls



AMERICAN STEEL AND WIRE COMPANY

Steel wire is made from rods like these which come off the machines at 40 miles an hour in 4,375 foot lengths weighing 550 pounds

EXAMINATION of the products made by the 140 "steel" companies signed up with CIO discloses how steel has entered into the family life of Mr. and Mrs. America. Aside from the United States Steel Corporation, Allegheny Steel Co., McKeesport Tin Plate Co., Wheeling Steel Corp., Jones and Laughlin Steel Corp., Crucible Steel Corp., Sharon Steel Corp., manufacturers of such an odd variety of products as stoves, lamp posts, tractors, cotton gins, large and small tools, enamel ware, valves, springs and axles, outboard motors, roller bearings, are included.

If men employed in this group are all eligible for membership in a steel workers' union then every firm that uses steel, be it for hypodermic needles or kitchenware, is a prospect for CIO organizers and so-called "Little Steel," Bethlehem, Republic, Youngstown Sheet and Tube, and Inland Steel, may point out that they are not alone among the hundreds of manufacturers who have hesitated to sign union contracts.

Photographs on this page deal with the finished product of a steel manufacturer, which is received as raw material by processors.

Sheets and strip steel are the most important products from the standpoint of tonnage. Largely responsible for the recent record breaking consumption of sheet steel has been its increasing use in products bought by the ultimate consumer like automobiles, refrigerators, kitchen ranges, roofing, buckets, culverts.

Tin plate is a thin sheet of steel which has been both hot and cold rolled, then coated on both sides with pure tin. Tin plate is one of the few "packaged" products of the steel industry. It is packed in boxes each containing 112

sheets separated by paper to avoid scratches. The steel industry has the facilities to produce 163,600,000 miles of wire a year-enough to go around the earth 6,544 times. About 160,000 different uses for wire have been recorded, ranging from paper clips and coat hangers up to farm fencing and down to watch hair springs. The aristocrat of all wires is piano wire-an inch thick bundle will withstand a pull of one third of a million pounds.

A modern blast furnace costs approximately \$3,500,000; an open hearth furnace, \$500,000 and a mill for rolling strip about \$15,000,000. The total investment in the industry amounts to \$5,000,000,000. As soon as a worker enters upon his task, his company has already expended \$11,500 (exclusive of salaries) in order to hire him.

## A Year Under Robinson-Patman

By JOHN H. CRIDER

FOR a year, the American business man has had hanging over his head a new form of government regulation—the so-called Robinson-Patman Anti-Price Discrimination Act.

Has it worked? The answer depends on what you mean.

Has it achieved its primary objective of checking the disastrous effect of chain store competition upon the small business man? Only in part.

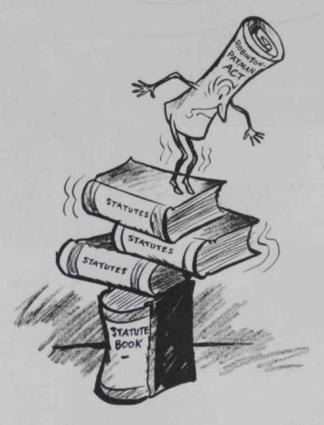
Has it helped the little fellows? Possibly a few, but in one outstanding and paradoxical instance the effect may be to put the smaller operator at a decided disadvantage.

Is it Constitutional, and will the highest court so construe it? Probably, but there is a possibility that it may emerge from the courts with some of its teeth knocked out.

No one doubts that the Act was supposed to establish a higher standard of ethics for the American business man, but the ques-

tion is raised whether the American business man did not already have adequately high standards in this respect. Of course he did. So did doctors, lawyers, and the other professions. But in spite of ethical standards, in spite of the good intentions expressed in countless professional society and chamber of commerce resolutions, there has always been some cheating.

Even criminal laws, as every American knows, have not succeeded in curbing certain forms of fraud. Some people—a small minority—will cheat regardless of all laws and conventions. So long as laws are aimed at practices which honorable business men generally recognize as unfair, the minority who exist outside of the law will remain fairly constant. But once legislation begins to reach into



AN effort to weigh the accomplishments of the law which was to protect the small business man but which, in practice, sometimes does the opposite

> the practices dictated by the laws of supply and demand and to encroach upon methods which decent citizens regard as fair and reasonable, the temptation to break laws increases to the point where evasion becomes respectable.

> Prohibition did it, and, as the Treasury Department has recently pointed out, so did the income tax law. The more laws we have, the more ways there seem to be to get around them.

But, in the case of the Robinson-Patman Act, there was much more than an attempt to curb certain unfair practices. It sought to interfere with the workings of an economic law—the law which gives advantage to the big fellow in the matter of bargaining. The idea is to make everybody play the game by the same

rules. It might work out in football, where brains and speed can offset weight and brawn but, in business, conditions are somewhat different.

#### Size and prices

HERE it is bargaining power that counts and, any way you look at it, the big fellow is likely to have more of it. He is in a position by the economics of such things, to be better able to get what he wants at a price he wants to pay. If the Robinson-Patman Act should prove as successful as its proponents hoped, the big business man would be deprived of his bargaining advantage and put in the same class as the little fellow. Since one reason for being a big fellow in business is to profit by the greater bargaining power, it stands to reason that the big chains would soon be weakened.

The fact is that the Robinson-Patman Act, despite the hopes of its sponsors, may never take from the

big buyer his natural advantage. Its own language provides.

that nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered.

If a complaint is filed, the burden of proof is upon the respondent. He must prove that he received a price advantage only in the proportion that it was warranted by the quantity and delivery aspects of the sale. A great chain usually could prove that it deserved a smaller price than the little fellow could obtain.

A recent bulletin of the American Institute of Food Distribution said:

Big chains, at which the law was or-(Continued on page 114)

# Business Highlights and Sidelights . . .

## Captains from the Ranks

A RECENT statement of employee policies by the Bell Telephone Compan-

ies calls attention to the continuing effort to provide just wages, stable employment, short hours, comfortable working conditions, safe tools, employee training and to fill supervisory positions from within the organization.

Included is a list of the 18 men who are putting these policies in practice. Without exception, they are men who should know how employees like to be treated.

Heading the list is Walter S. Gifford, American Telephone & Telegraph Company, who started in Chicago in 1904 as a pay roll clerk at \$520 a year. Apparently the company had some doubts as to his ability or the Chicago scale was low. At any rate, Chester I. Barnard, president, New Jersey Bell Telephone Co., Floyd O. Hale, president, Illinois Bell Co., and Ned R. Powley, president, Pacific Telephone & Telegraph Company, who began as clerks about the same time, all got \$600 a year, Mr. Hale in Pittsburgh, the others in Boston.

Frederick H. Reid, president, Mountain State Telephone & Telegraph Company, who started in Denver as a collector, and Archibald J. Allen, president, Cincinnati & Suburban Bell Telephone Company, who began as service inspector at Pittsburgh, also drew \$600 their first year with the company.

Arthur A. Lowman got \$624 in Clarinda, Iowa, as repairman in 1894, his first year. He is now president of Northeastern Bell Telephone Co. Albert C. Stannard, starting at Springfield, Mass., five years later, got only \$300 a year as night inspector. He is now president of Southwestern Bell.

And so it goes for the entire list:

John J. Robinson, president, New England Telephone & Telegraph Company, began in 1899 as a cable splicer's helper in New York City at \$468. James L. Kilpatrick, president, New York Telephone Company, began as wire man in Philadelphia, in 1896, at \$546. Philip C. Staples, Bell Telephone Company of Pennsylvania, began in Baltimore in 1904 as a salesman drawing \$624. James E. Warren, Southern Bell Telephone & Telegraph Company, got \$360 his first year as a stenographer in Nashville. Starting as a special inspector, Randolph Eide, president, Ohio Bell Telephone Company, made \$780 his first year as did George M. Welch, president of the Michigan Bell Telephone Company, who began as a stenographer. James F. Carroll, president, Indiana Bell Telephone Company, drew \$624 as a traffic student in Syracuse when he began in 1906,

while William R. McGovern began at \$300 a year as a draftsman in Milwaukee.

Lloyd B. Wilson, now president of the Chesapeake & Potomac Telephone Company, set some sort of a record by beginning at Plattsmouth, Neb., as a night operator with \$144 as his first year's pay. That was in 1899. Harry C. Knight, president of the Southern New England Telephone Company, did much better. Starting as a general canvassing agent in 1902 in New Haven, he drew the princely salary of \$988.

#### A Two-wheeled Traffic Problem

REVIVAL of interest in bicycling is causing city authorities to concentrate

on new safety rules and regulations to safeguard cyclists in traffic. Last year nearly 800 bicycle riders met death by collision with motor vehicles and more than 14,000 were injured. Among those killed, 390 were from five to 14 years old, and 330 from 15 to 64.

Miami, Fla., with 12,000 bicycles on its streets, is among cities making an intensive effort to provide a safety program for bicycle riders, according to the *Police Chiefs' News Letter*, bulletin of the International Association of Chiefs of Police. An ordinance recently passed in Miami compels the licensing and regulation of all bicycles and defines it as a misdemeanor for any person to sell, trade, give away, or purchase such a vehicle without properly licensing and registering it.

Before being granted a permit Miami cyclers must face a catechism that includes such questions as these:

In case of an accident, what should you do? What would you do if your bicycle were stolen? What is the rule about starting across an intersection on a yellow light? What is the rule about carrying other passengers and large packages on bicycles (prohibited by ordinance)? What are the hand signals for bicycle riders?

Cities that have within the past few months written bicycle sections into their municipal ordinances include: Ft. Atkinson, Wis.; Sioux Falls, S. D.; Minneapolis; Des Moines; Los Angeles; Oakland; Greensboro, N. C.; Salt Lake City, and Detroit.

#### Costs of Public Personnel

PRIVATE business considers the administration of personnel programs a more

important item than do state and city governments, if comparative cost figures on personnel management released by the Civil Service Assembly are significant. Although in each case personnel agencies exist presumably to insure the best return on investment in employees or workers, comparison between the costs of personnel management in government and in private industry shows this great variance:

Based on figures for 63 companies recently surveyed, personnel management costs in industry amount to an average of \$14.06 per employee.

In nine states and 27 cities checked by the Civil Service Assembly, the average public personnel agency received \$5.50 per classified employee per year. The range was from \$3.42 to \$9.04 among the states; from \$2.47 to \$12.41 among the cities.

The figure \$14.06 represents 1.85 per cent of the total pay roll of the average business firm. The figure \$5.50, for states and cities, is only .31 per cent of the total pay roll in the governmental units concerned.

In the public service most attention has been devoted to the formal selection of employees and to the development of occupational classification and pay plans. while in private enterprise personnel management has been primarily concerned with the training and placement of workers after they have been hired and with problems of collective bargaining. During the past few years, however, civil service commissions and industrial personnel offices have made increasing use of common techniques in recruiting, training, promoting, and retiring employees, and in improving working conditions to promote efficiency and morale.

#### Still a One-Man Country

ONE-MAN proprietorships still dominate the vital statistics of American

business. Of the 199,000 new ventures reported by Dun & Bradstreet, Inc., for the first six months of 1936, 142,000, or 71.1 per cent, were individually owned. New partnerships, totalling 33,000, surpassed the number of new corporations, which stood third with 23,000. The "all other" group amounted to 1,000 units, chiefly enterprises operated by estates or by receivers. In Dun's review for June, researcher William A. Rothmann explains that:

The individual proprietorship is usually born without formality or legal supervision. The proprietor may be required to obtain a license, as in the case of a restaurant, but in general there are few obstacles, and anyone with the urge and the necessary capital can go into business most easily.

#### Americans are Group Minded

HOW difficult it is for business to practice admonitions to speak with one voice

is revealed by a glance at the new directory of trade associations issued by the United States Department of Commerce. Its 134 pages list 2,400 national and interstate trade groups, including 1,800 associations of manufacturers, 300 associations of wholesalers and retailers, 200 associations of business service firms, and 100 groups of exporters and importers.

Age of the trade association idea is indicated by the estimate that less than 50 national and interstate trade associations were operating by 1875, among which were the still-existing Writing Paper Manufacturers Association, United States Brewers Association, National Association of Wool Manufacturers, National Association of Cotton Manufacturers, and the National Board of Fire Underwriters. There were approximately 100 by 1900, and more than 1,000 by 1920.

In the past 20 years, the movement has advanced at accelerated pace. Membership of the listed groups ranges from less than 100 to many thousands, staffs from less than five to more than 25. Annual budgets usually vary from less than \$25,000 to \$75,000, although many large national groups have budgets of more than \$100,000. Membership is entirely voluntary; a national association usually includes a substantial portion of the volume of sales of its branch industry.

Scope of the interests represented is suggestively dimensioned by the requirement of 17 pages for the commodity index alone.

#### States Bond Used Car Dealers

UNDER legislation enacted by nine states, dealers in used automobiles

will be registered with secretaries of state and bonded to protect the purchaser from loss through fraudulent claims as to title, freedom from liens, quality, condition or value of the vehicle he has bought.

Florida enacted a used-car dealer bonding and registration law in 1935, the first state to take this step. This year Alabama, Arizona, Illinois, Michigan, New Mexico, North Dakota, North Carolina, Oregon and Utah have followed suit and placed similar measures on the statute books. The Secretary of State of Michigan showed the need for

this type of "consumer-protection" by disclosing recently that there were usedcar dealers in Michigan who were selling as new, cars which had been stolen or damaged and returned to Detroit factories.

With substantially similar provisions, the various state laws require dealers to register all used or second-hand motor vehicles brought into the state for resale. They must execute a bond in the amount of the sale price of the motor vehicle, warranting the title of the car. Compliance also includes a fee for the registration of each vehicle and a fee for each bond filed with the designated state official. Vendors of used or second-hand motor vehicles are also required to deliver to the buyer a properly endorsed certificate of title.

#### Light on Hidden Taxes

CERTAINTY of everybody's payment of taxes can be convincingly affirmed by

spading up the hidden taxes on pay envelopes. Digging into the effect of taxes on prices, the Family Economics Bureau of Northwestern National Life Insurance Company reports after a year's study that the \$18-a-week laborer or clerk who owns no property pays \$116 a year in hidden taxes, contained in the prices of the goods and services he buys, or 12 cents out of each dollar he earns. The mechanic or minor department head whose \$150-a-month salary permits the operation of a used automobile pays \$229 annually in taxes, even though he owns no other property and is a family man exempt from income taxes, according to the study. This amount represents 12.7 cents per dollar earned.

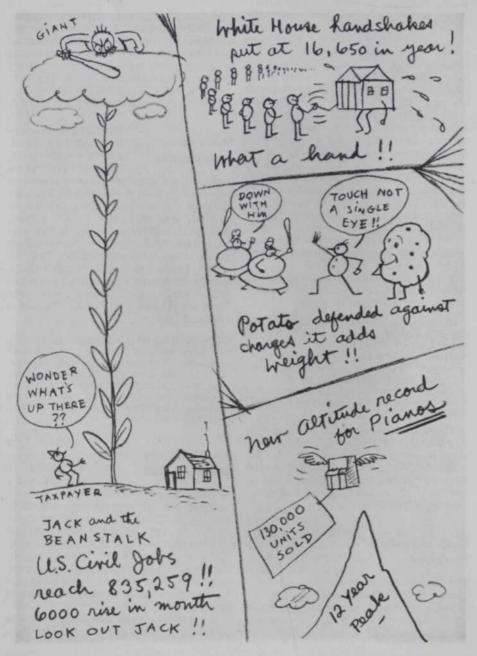
Based on analysis of the tax and sales records of 206 manufacturers, jobbers, and retailers, the study finds that the "invisible" taxes contained in retail food prices average 7.1 per cent; in clothing prices, eight per cent, in fuel and light bills, 9.5 per cent; in sundries and miscellaneous household items, 10.2 per cent. Records gathered by the company on 7,964 single and multiple family dwelling units in 48 cities reveal an average of 25.3 cents for taxes in each dollar of rent paid by the average tenant family.

Taxes figuring in the overhead costs of manufactured goods average eight per cent of wholesale prices to distributors, the investigation found. Shipping costs are 12 per cent taxes; local real estate levies comprise 15 per cent of the rental overhead of the average retailer, and amount to six-tenths of a cent in the price of a dollar sale.

Invisible but traceable taxes are 6.4 per cent of the retail price of bread, 8.14 per cent of the price of beef, and 18.3 per cent of the price of sugar. The price of a man's suit of clothes contains 10.49 per cent in taxes.

The report points out that the figures given represent only those taxes which can be traced and measured with a reasonable degree of definiteness, and that many small tax elements which could not be isolated and estimated with any certainty were omitted, with the result that the percentages of contained taxes quoted err on the side of conservatism.

#### From a Business Man's Scratch Pad . . . No. 16



## Business Men Say...



WIDE WOR

#### C. M. CHESTER, Chairman General Foods Corporation

"Management is no exalted rôle. Management, indeed, has no security. The rate of turnover in many corporate managements is greater than the rate of turnover in labor in numerous departments and factories. Industrial leaders are devoting more thought to the problem of obtaining security for the folk on the pay roll than to any phase of their problem. But security of the pay envelope is not simple. The stockholders have no security of dividends. The consumer has no security of price levels. Employees cannot be definitely assured of long time security—it all depends upon the success of the business which employs them. Management is trying to provide for them as much security as may be obtainable in this uncertain world."



WILLIAM K. JACKSON, Vice-President United Fruit Company

"At no time in our history has our nation been happy and prosperous when our foreign trade was at a low ebb, and the continuance of foreign trade cannot be insured without the existence of our own merchant marine. . . . We cannot leave a foreign commerce of about \$8,000,000,000 a year to the uncontrollable whims of the owners of foreign vessels. . . . It is a misnomer to call aid to ship operators a subsidy. The construction differential goes to pay for the higher cost of American materials and labor, and the operating differential pays for the higher wage scale."

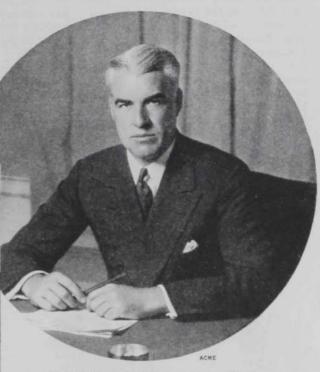


APME

LOUIS RUTHENBURG, President Servel, Inc.

Called upon business men to dispel misunderstanding to counteract the preachments of self-anointed saviors of the working classes.

In advising how to improve personnel relations, he said the worker is far more interested in annual, monthly and weekly earnings than the hourly rate; must be convinced that increased productive efficiency means permanent wage increases; assured of adequate provisions for safety, educational and recreation measures; guaranteed an impartial appeal from decisions of foremen and protected against domineering straw bosses.



EDWARD R. STETTINIUS, Jr., Chairman Finance Committee, United States Steel Corp.

"Business is thoroughly in accord with the concept that instruments of production shall not be used for profit alone, but for material, social and spiritual betterment for all groups and classes. Industry has done well for the nation, but new requirements are being made. When a whole community can stumble into despair with the stoppage of a single pay roll, it is self-evident that industry has far-reaching social implications which should be matched by an equal sense of social responsibility. It is no exaggeration to say that one of the most important functions of business administration, on the large scale, is the social function. Having helped to create the modern society, the business man will not be excused from the duty of coping with its problems."

Shopping Makes Me Mad

By FRANCES DICKSON

AN examination of the selling technique of the modern department store by the person best qualified to know how customers like to be treated—the customer herself I resent having an utter stranger "analyze" my skin

AM a professional woman whose annual income places me among the upper 20 per cent of women wageearners in the country.

Because of this and because I am a thriftless soul who spends as she makes, I am a better-than-average customer—so far as expenditures are concerned—of the stores I patronize. That heing so, I wonder why, as a customer, I find salespeople indifferent, insolent or openly rude nine times out of ten when I approach a counter to buy what is supposed to be for sale there.

Who can understand the mental processes of a merchant who devotes the most meticulous attention to the appearance and facilities of his establishment, spends thousands of dollars on advertising, prides himself on the variety and extent of his stock—and then endangers his whole success by permitting his employees to

antagonize his customers? Yet this condition is so prevalent that every woman shopper has experienced it many times! A group of women cannot discuss shopping five minutes before one after another begins to tell, with varying degrees of indignation and amusement, of rebuffs, insults, inefficiency and carelessness at the hands of those employed to wait upon her

Having begun my buying career as a rather diffident and amiable soul, it took me years to decide that I couldn't always be wrong in these skirmishes with clerks. My face has never upset thrones but neither does it send young children screaming to their mothers. I have a certain amount of education, can behave in a well-bred manner when not goaded into fury, and even claim enough of a sense of humor to obtain some perspective on most situations in which

I find myself. Well, then—

I live in a middlewestern city of some 500,000 population with what is reputed to be one of the finest retail shopping centers west of the Mississippi. One Saturday recently in the glove department of one of our larger stores I asked for a pair of dark brown fabric gloves, size 61/2. The girl behind the counter showed me one pair. They were not satisfactory because they were short-wristed and fastened with one button, whereas I prefer a gauntlet or several-button length. I said so mildly, making no apologies for what seemed a reasonable request.

"That's all we have," the saleswoman replied airily.

I evidently looked my surprise for she added with some condescension,

"They're not wearing brown gloves this season."

I began to feel the symptoms of an old familiar fever. (Some day I'm going to conduct a nation-wide survey to determine just who "they" are who "aren't wearing" the things for which I ask in stores.)

#### No brown gloves for sale

I RETAINED my composure—with an effort.

"Brown gloves seem a staple commodity," I remarked. "Women always wear brown gloves, to some extent, don't they?"

"Not this year," my sparring partner answered, and obviously felt she was pointing out well-known truths to an imbecile. "Only contrasting gloves will be worn this season."

She extended, in a limp hand, a pair of gloves that were approximately the color of red clay—one might have called them henna or rust. I told her I wanted brown gloves—nothing but brown gloves, whereupon, over her shoulder as she departed from me, she tossed,

"We've gotten away from dull things this season—everything's going to be glamorous."

"Glamorous, my eye!" I muttered wrathfully to myself as I slunk away, but I knew—and so did she—that she had had the best of the encounter.

What puzzles me most about this incident, and others, is why a customer should be made to feel that she has been in a duel almost every time she tries to make a purchase?

Suppose, for the sake of argument,



## NEW LOW-COST PAYROLL MACHINE

# Burroughs

### **SAVES TIME AND MONEY**

In compiling figures required by the SOCIAL SECURITY ACT

# THERE ARE MANY OTHER BURROUGHS MACHINES FOR PAYROLL ACCOUNTING

There are many styles and models of Burroughs payroll machines. All write four payroll records in one operation; many compute as they post and accumulate totals. However large or small your payroll—whatever type of payroll accounting problem faces you—Burroughs can provide equipment to handle the work with exceptional speed, ease and economy.





# A typewriter that provides 4 PAYROLL RECORDS in one writing

- 1 THE PAYROLL
- 2 EARNINGS RECORD
- 3 EMPLOYEE'S STATEMENT
- 4 PAY CHECK or pay envelope

With fast electric carriage return, electric shift to capitals, and convenient tabulator control—this new Burroughs payroll type-writer writes four payroll records in a fraction of the time required by ordinary methods. It will pay you to see it, as well as other new Burroughs payroll machines from which to select the equipment best suited to your own individual requirements. Telephone the local Burroughs office or mail the coupon.

#### MAIL THIS COUPON FOR COMPLETE INFORMATION!

BURROUGHS ADDING MACHINE CO., 6008 SECOND BLVD., DETROIT, MICH.

- Send me complete information about the new Burroughs Payroll Typewriter that writes four records in one operation.
- ☐ I should like to receive your booklet showing various ways to handle payroll records on Burroughs Computing Payroll Machines and Burroughs Typewriter Accounting Machines.

Name

Address

that I was wrong. Suppose there isn't a single pair of dark brown fabric gloves, size 61/2, on the retail market today. Suppose I am lacking in fashion-consciousness.

Was it within the province of the saleswoman to tell me so? Was there no way in which, firmly but courteously, she could have told me that her stock included no dark brown fabric gloves?

I do not hold her responsible for that stock. I do not blame her for the vagaries of fashion nor the dictates of manufacturers. But I do hold her-and the store behind her-responsible for rudeness to a customer who was hunting for a pair of gloves and not a fight.

At about the time I was emerging, vanguished, from that encounter, a friend of mine was seated in a shoe shop, with her 14-year-old daughter. Both wanted galoshes and my friend wanted a pair of black suede shoes.

To the man who came to wait upon her, she said as much.

After determining the size she wore, he brought her a pair of black gabardine shoes and fitted them to her feet. They were attractive but she particularly wanted black suede and said so again, thinking he had not heard her the first time.

#### Insulting the customer

HE brought her another pair of shoes—black gabardine. She refused to have them tried on, as she was not interested in gabardine-she still wanted black suede shoes.

Believe it or not, that salesman reached for her own shoe, put it back on her foot with the effect somehow of sticking out his tongue and remarked, as he walked away:

"The trouble with you is, lady, you don't know shoe values!"

Nothing whatever had been said about prices. For all he knew, she might have been prepared to spend a week's income on a pair of black suede shoes. Obviously, he had no black suede shoes in stock-in her size, at least-but instead of saving so, and asking if he could fit her in some other materials, he tried to highpressure her into taking something

purchased in the second-floor department not a week before. A new clerk who was not familiar with the stock? Perhaps, but her tone was contemptuous as she intimated that I was out of my price class. I buy many things in bargain basements but even in that store, \$2 a yard for summer cottons is a high price, and that was one time when I could have been treated as a "rich" customer without exaggeration.

One of the worst offenses of saleswomen is the unsolicited advice they ram down our throats! My shopping time is limited. Before I go shopping. I know definitely what I need, what I want and approximately how much I can spend. Therefore, if I ask for a black calf handbag, pouch style, and as plain as possible, I do not appreciate being told that patent leather is much "smarter" this season.

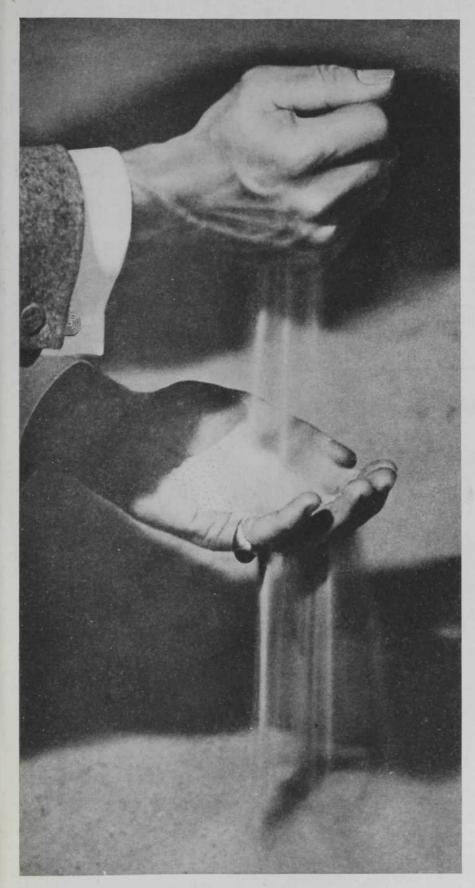
There are times when I seek information or advice from saleswomen. But that does not mean that I welcome being told, when asking for my favorite brand of cold cream tissue. that it is vastly inferior to another make. Nor does it excuse the impertinence of the saleswomen who have told me, with varying degrees of truth, perhaps, but always gratuitously, that I should:

Wear any kind of hat other than the type I was wearing at the mo-

Do something about my dry (or



## "Like Sand Through My Fingers"



I was not making much, and was spending it all. The children were coming along, and a family man always has many uses for money. My money slipped away like sand through my fingers until...

A friend, who sells life insurance, made me realize there is a tomorrow. I had been neglecting to set anything aside systematically for my family's and my own future. He showed me how, by being just a little more careful, I could save enough to start a life insurance program.

A small beginning, but what comfort to know that my family wouldn't be left penniless. Besides some needed cash, my first insurance would provide an income of \$100 a month for a few years —should the emergency arise.

Most important, I had something I could build on as I progressed. And I did. Those first small sums I saved—those "grains of sand" cemented with wisdom and forethought became the foundation of my family's security.

This is a story that thousands can tell. Let a Metropolitan Field-Man show how you, too, can start building now for your family's future. Telephone the nearest Metropolitan office or mail the coupon.

The Metropolitan issues life insurance in the usual standard forms, individual and group, in large and small amounts. It also issues annuities and accident and health policies.

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

Metropolitan Life Insurance Company 1 Madison Avenue, New York, N. Y.	
Without obligation on my part, I would like to have information regarding a Life Insurance Program to meet my needs.	Manna Manna
NAME	1
ADDRESS	
CITYSTATE87-N	FFF III

## METROPOLITAN LIFE INSURANCE COMPANY

skin texture or drooping muscles in my throat). It would require an entire page to give my opinion of the so-called "beauty advice" fired upon the hapless customer who dares come within sight of a cosmetic counter. When I buy a bar of soap, I resent having an utter stranger "analyze" my complexion at a glance and inform me that she knows exactly what's "wrong" with it and has the cure miraculously at hand. Some day I'm going to throw all restraint to the wind and tell her that, in my opinion, my complexion's as good as hers and a darn sight better-which is both vainglorious and true.

When one cosmetic demonstrator in a store did break down recently and admit that I had "rather" a nice skin, she added that I evidently had been born with it, and intimated that I could not be given any personal credit since it had been achieved without the benefit of the particular line of creams she was demonstrating.

The elimination of that particular type of unsought and unwanted "salesmanship" would go a long way toward pleasing customers, if stores are interested in anything so elementary.

Once upon a time I bought a love of a hat—the hat of my life. It was a purple hat, a turban covered with velvet pansies. I paid \$25 for that hat and because I fondly believed it to be the most becoming and beautiful hat the world had ever seen, I acquired practically a fixation about its designer—a famous New York modiste. Thereafter for years, I wistfully made the rounds of the shops, asking for any models they had of J——'s hats.

#### A saleswoman's explanation

I'VE stopped asking now, though. For all I know that heaven-inspired milliner is with her hats in Paradise. For one day, in a burst of ill-omened confidence, I began to tell a millinery saleswoman about that hat—by way of leading up to my customary request—only to have her impale me with an icy stare and murmur, contemptuously,

"All J---'s hats aren't purple, you know."

The worst feature of the whole situation is the effect on my disposition. I am learning that if I am brusque and domineering and hard-to-please when I go shopping, I likely will receive fairly decent treatment. Another experience illustrates my point.

I was in the upholstering goods department of a local store. Draped over a rack was a length of material which seemed precisely what I wanted. A ticket attached to the under side gave the price. I knew the quantity I needed. It would not have taken two minutes to have given my order and name and address to a clerk and said, "Charge and send."

Except for me, the department was almost empty. At one end of a long counter stood three women, two behind and one in front of it. All were hatless and wrapless. They were laughing and talking busily—too busily to pay any attention to me.

(Continued on page 86)

## **Aerial Luxury for Women**



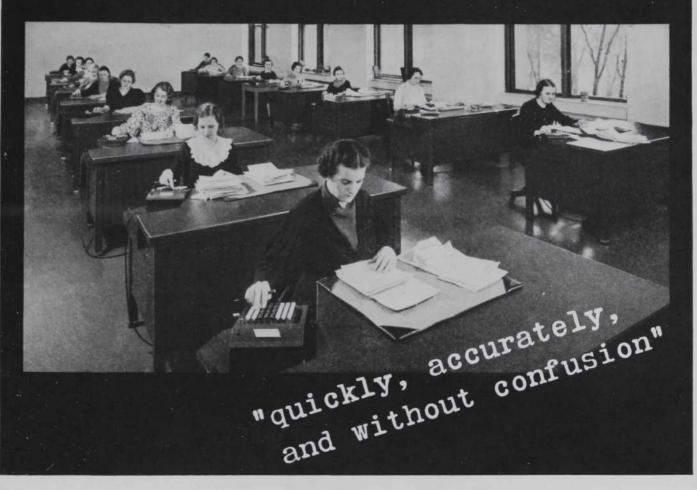
Swivel chairs and wide aisles permit comfortable set-up for bridge tables

More than 300 pieces of equipment are used to serve 14 passengers a meal of hotel quality

THIRTY-three per cent of the passengers on United Air Lines in 1936 were women. Particularly appealing to them is the aerial luxury of Sky-lounge service where aisles are wide enough to permit bridge table set-ups. Feminine enthusiasm is also aroused by the overnight kit containing make-up cream, foundation powder, lotion dabs and other toilet requisites provided each woman passenger.

Hot meals are a comparatively new feature of air travel. A stewardess can serve 21 persons in an hour and ten minutes, or three minutes per passenger. The meal is assembled on the ground, packed in special containers. Fresh vegetables are carried in jumbo thermos jugs. Salads are packed upside down in paper cups. A substantial lunch or dinner can be served aloft and for breakfast the passenger may have a choice of five kinds of breakfast food, fresh fruit and—bacon and eggs. Sleeper planes with oversize berths, individual ventilation ducts, and reading lamps now make it possible to have dinner in New York and breakfast on the Pacific Coast the following morning.

## 23/4 MILLION ITEMS CHECKED EACH MONTH



THE S. S. Kresge Company, with general offices at Detroit, Michigan, handles one of industry's most voluminous accounting jobs—and provides another tribute to "Comptometer" methods:

"In our centralized 'Comptometer' Department," states Kresge's Office Manager, "we check the invoices for our entire organization, which operates a chain of approximately

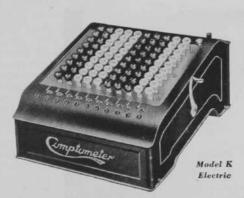
700 retail stores. Every month we check approximately 500,000 invoices, each averaging 5½ items. Truly, a tremendous undertaking.

"Yet this entire job is handled on 18 Model K Electric 'Comptometers' with trained operators. It is done quickly, accurately, and without confusion—thanks to the modern high-speed 'Comptometer.'

"'Comptometers' are also used effectively in other divisions of our accounting, on such work as billing, purchasing, statistical and general accounting."

That's convincing testimony. Yet the "Comptometer" handles less imposing figure-work jobs just as efficiently —solves the largest or the smallest accounting problem "quickly, accurately, and without confusion."

If you recognize the need for more rapid, accurate and economical accounting methods in your own business—especially in view of recent Social Security legislation—telephone the "Comptometer" representative in your district, or write direct to Felt & Tarrant Mfg. Co., 1712 N. Paulina St., Chicago, Ill.



COMPTOMETER

Marble lighthouse at Belle Isle erected to memory of William Livingstone

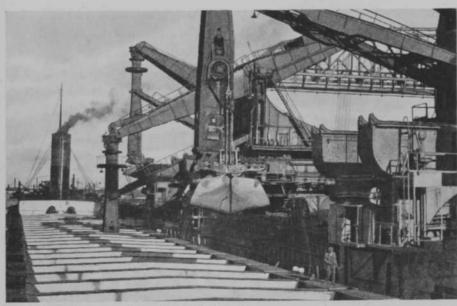
## Fast Handling on the Great Lakes



Side launching is characteristic Great Lakes procedure



Unobstructed cargo hold is typical feature of Lakes freighters



A shipload of ore can be unloaded in three hours

SHIPMENTS of winter wheat through Lake Michigan ports are just beginning to get under way. The grain movement will contribute heavily to the tonnage moved on this greatest of the world's inland transportation systems, where in seven months traffic passing through the St. Mary's Falls Canals will far exceed the combined tonnage passed through the Suez and Panama canals in an entire year.

From Montreal to the westerly end of Lake Superior this system extends 1,340 miles. There are approximately 400 harbors. Their total tonnage of water-borne cargo is greater than that of the Pacific and Gulf ports together and practically equal to that of the Atlantic ports.

The lake fleet of United States and Canadian commercial vessels includes more than 850 steamers, motorships and barges.

Backbone of the present fleet consists of ore, coal, limestone, and grain carrying steamers, but each year an increasing number are being diverted to transporting scrap metal, automobiles, pulpwood, cement and commodities best handled by self-unloading ships. Fourteen are exclusively engaged in carrying automobiles. Only 34 passenger ships are now registered.

Development of the modern bulk freighter together with the loading and discharging machinery used on the Lakes results in the most efficient and economical system of handling water-borne freight yet devised. The bulk carrier has its power plant far aft and its crew's quarters in the extreme forward and after ends. All the space between is cargo hold usually unobstructed save for the bulkheads which divide the hold into three compartments. The vessel dimensions have a direct relation to pier loading facilities with universal 12-foot spacing so that pier pockets and ship hatches are brought into coordination. When the car dumper operates without interruption an average rate of 58 cars of coal is loaded every hour. When unloading, a boat load of 9,000 tons can be handled in six hours. Iron ore is moved even more rapidly, an entire shipload being taken on in 30 minutes and discharged in three hours.

The port of Duluth-Superior handles the largest amount of tonnage on the Lakes and its outgoing tonnage equals any port in the United States; Toledo is the greatest coal shipping port in the United States, having moved more than 20,600,000 tons of bituminous coal in 1936.



## Read this True Tale of Tall Timbers BY LOWELL THOMAS NEWS COMMENTATOR

"Hauling out the logs in the northwest timberlands has always been a job for locomotives. Special track had to be built through the mountains. Logs came out on rails.

"They tried trucking. Tires broke down under the terrific loads. Others were cut and slashed to pieces by debris and



undergrowth. Trucks mired in soft soil.

"Then Goodrich announced the Triple Protected Silvertown Tire. And truck logging, they tell me, became profitable. Now trucks haul tremendous log loads right out of the forest to the mill.

"Here's what Louis Joseph of Montesano, Washington, said in a recent interview: 'We have to take the roads as they come and frequently they are none too good. The loads are heavy and unbalanced. Yet with Goodrich Silvertowns I have never experienced a delay due to tire failure. Mileage is more than satisfactory.'

"There's a statement from a man who knows logging—and trucking—a hauling combination that means tire-killing service from the word 'go'." Lowell Thomas has traveled all through the logging country. He could talk to you for hours about the makeshift roads, the steep climbs, the seemingly impossible tire jobs.

Do you know that you can get for your trucks the same tire that is making good on hundreds of logging operations? And you don't have to pay a premium price for it, either! Here is why this tire, the Goodrich Silvertown, stands up where others fail. A new invention, Triple Profail.

tection, is built into the sidewall. This 3-way development actually checks 80% of premature failures! It makes the sidewall as strong as the tread. It protects against blowouts. It makes the tires run cooler.

Now you can get extra mileage, extra service at no extra cost. These tires cost more to build—but Goodrich adds no premium on the selling price. See a Goodrich dealer for prices on your sizes—or write The B. F. Goodrich Company, Akron, Ohio.





#### HOW TRIPLE PROTECTION WORKS

1 PLYFLEX—distributes stresses throughout the tire—prevents ply separation—checks local weakness.

2 PLY-LOCK—protects the tire from breaks caused by short

plies tearing loose above the bead.

3 100% FULL-FLOATING CORD —eliminates cross cords from all plies—reduces heat in the tire,12%.

Goodrich Triple Silvertowns

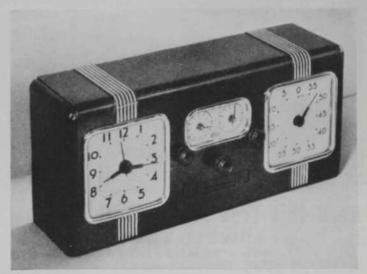
SPECIFY THESE NEW SILVERTOWN TIRES FOR TRUCKS AND BUSES

## No Business Can Escape Change

From adhesives to veneer, business still adds to our material advancement

- 1 A NEW automotive finish designed for touching-up synthetic resin finishes and for recoloring used cars combines quick-drying qualities of lacquers and lustre of enamels, requires no rubbing. Available in 26 shades. . . .
- 2 A NOVEL flexible steel rule has its case so designed that direct readings may be made on inside measurements. The blade also remains set at any length withdrawn. . . .
- 3 WOOD PANELLING over old walls is made easy and economical by a new panel consisting of a wood veneer bonded to a fiber board backing with a waterproof synthetic resin. It can be worked like ordinary wood and bends readily. Available in a wide range of woods....
- 4 HAZARDS of explosive gas are cut down by a new alarm which functions when the gas reaches a predetermined percentage. The device may also be connected to cut out electrical equipment, or to start ventilation motors. . . .
- 5 FLASHING LIGHTS to animate window signs or displays may now be obtained by individual sockets which flash on in succession—no clockwork needed. The sockets may be pushed together for direct connection or cords used for connecting detached units. . . .
- 6 A NEUTRAL soap that's soluble in either water or solvents, such as kerosene, cuts heavy grease as on old engines or floors so that they may be rinsed off clean with a stream of water. Does not harm painted surfaces. . . .
- 7 A NEW raincoat fabric, made thin so that the coat may be folded compactly when not in use, has a rubber backing and is also treated to prevent spotting. . . .
- **8** AN INK combining warmth of color with the brilliance of metal is obtained by a silvery compound of metallic ink and pigment...
- **9** A NOVEL surfacing material wrinkles uniformly at a relatively low baking temperature and without oven gases. With a rubber base, it is resistant to acid and alkali and also petroleum. It has good adhesion, even on steel and aluminum, is available in colors, and requires no primer. . . .
- 10 A NEW conveyor belt has a center-guide strip making side-guide idlers unnecessary, even when the belt is tilted sidewise. Saves head space, of course. . . .
- 11  $\bullet$  A NOVEL golf tee of aluminum bends when hit instead of leaving the ground. A coil spring returns the head to upright position. . . .
- 12 RUBBER MECHANICAL parts, such as shackles, bearings and mounts, now have a special lubricant without the rubber-harming petroleum. . . .
- 13 A GADGET for the kitchen faucet strains the water and at the same time stops the annoying splash. It's made from a gleaming black plastic. . . .
- 14 A NEW type starch adhesive for corrugated board gives a non-alkaline, high strength, long-lasting product which stands up well under humidity. The lack of alkali allows color printing to remain clear and bright. . . .
- 15 AN OYSTER stew can be made in 75 seconds with a stewer having aluminum fins to pick up heat quickly. The bowl is mounted to provide easy tilting. . . .

- 16 A PAPER shredder cuts soft flexible strands of any width desired from waste paper. Lighter weight packages, natural resiliency of packing are claimed, as well as economy. The long strands prevent litter. . . .
- 17 A FABRIC treated with a synthetic resinoid makes a waterproof material for upholstery and the like. For out-of-doors furniture, it does not dry out, fade, or crack. . . .
- 18 A ONE-PIECE rust-proof metal clothes pin is small and light weight. It also can serve as a paper clip for heavy files and for other purposes. . . .
- 19 A NOVEL cribbage board combined with an ash tray is made of a synthetic plastic and shaped so that each player moves in a circle obviating reaching in front of his opponent. . . .
- 20 A NEW filler for conventional joint openings in concrete highways and other structures is made of rubber strips preformed to hold their place, keep the surface smooth and allow for easy compression by the concrete. . . .

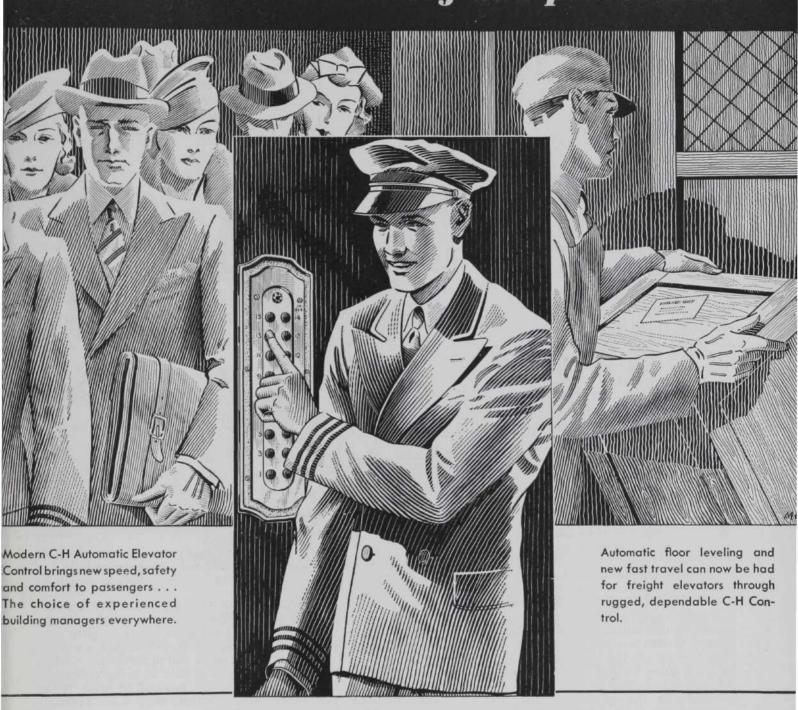


- 26 A NEW electric kitchen clock performs triple duty as a time piece, an automatic oven control, and as a timer for cooking intervals from one to 55 minutes. . . .
- 21 A NEW paper for labels defies counterfeiters. When wet it reveals a trade-mark or design, when dry it appears as before. The paper is white and suitable for lithographing or printing. . . .
- **22** LACQUER FINISHED or celluloid articles may now be printed with machinery by using a new ink which dries quickly and adheres well. . . .
- **23** A NOVEL electric lamp generates invisible light which by fluorescence on a coating on the glass bulb is changed to visible light. These lamps produce a wide range of colors, also a white light. . . .
- **24** FOR THOSE form letters that require varying paragraphs there is now an automatic typewriter device that makes up the letter from form paragraphs selected by a dial. Special phrases or references may be typed individually. . . .
- 25 A STROBOCOPIC device makes possible the viewing of motion picture films without a projector and without a claw arrangement. Film may be run through the device at any desired speed, forward or backward. . . .

-WILLARD L. HAMMER

EDITOR'S NOTE—This material is gathered from the many sources to which NATION'S BUSINESS has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.

## When you buy an elevator insist on Proven Control for safety and performance



over the land—and in scores of new—the revitalizing forces of Modernization are at work, bringing new comforts, new conveniences, new attractions to tenants . . . and new reasons for better revenues to landlords. Almost in every case, elevators are the first to feel the effects of this modernization program.

When you streamline your eleva-

tors, both passenger and freight, be sure they are modern in performance as well as looks. Be sure they provide the new safety, the new acceleration and stop, automatic floor leveling, the new C-H standards of operation. To be sure, give them Cutler-Hammer Elevator Control... proven in the past but abreast of the future! Most elevator manufacturers standardize on Cutler-

Hammer Control. CUTLER-HAMMER, Inc., Pioneer Manufacturers of Electric Control Apparatus, 1251 St. Paul Ave., Milwaukee, Wis.



## That's Where My Money Goes

IF the test of statesmanship is willingness to spend the people's money the future of the country is apparently extremely safe and rapidly becoming safer

N ANOTHER dispensation, a few years ago, when it was decided that something ought to be started, stopped or changed, the remedy prescribed began with:

"There ought to be a law."

Today the formula is somewhat changed. The prescription, guaranteed to cure the nation of whatever ails it, begins with:

"There ought to be an appropria-

At least that is the impression one must gather if he believes his congressman is an expert diagnostician of the ills that afflict the nation. Because the congressional specialists apparently all agree, perhaps not as to what caused the ailment or what the affliction is, but as to the cure.

From the assembling of the present Congress to April 1, Senators introduced 104 bills authorizing or making appropriations totalling \$10,847,609,-682. Some prescribed appropriations in small doses, while others prescribed heroic treatment in large doses. Fourteen Senators prescribed appropriations exceeding \$1,000,000,000 each, with Senator Lundeen leading the list with a flat proposal of \$5,000,-

But it was in the House where the specialists on economic disorders really gave the prescription counter the rush. From the opening of Congress to April 1, members of the House introduced 293 bills authorizing or making appropriations totalling \$179,646,793,967.05. Fifteen members of the House prescribed appropriations exceeding \$1,000,000,-000 each. Seventy members of the House prescribed appropriations exceeding \$100,000,000.

The total amount prescribed by April 1 in both Houses for what ails the country totalled \$190,569,822,-



The purported economy wave has not affected appropriation bills

595.95. If that amount seems modest it should be remembered that the Congress was just getting under way and Senators and members of the House were devoting their talent and skill to emergency cases first. Since then they have had opportunity to include appropriations for other cases, which they diagnose as requiring the same kind of treatment, meaning that a good many more billions should be added to the April 1

#### Absurd proposals to spend

IN the interest of simplicity, consider the proposed appropriations of \$190,569,822,595.95, rather than the later, much larger and more unwieldy amount.

In the first place, there isn't that much money. If the Congress should appropriate all the money each member has proposed as worthy, needful and for the public welfare, it would litter up the yard and sidewalk. We should have to think up something to use to compensate the garbage man for hauling it away, and he would not know where to dump it.

However, there wouldn't be enough gold, silver and probably not enough pig iron to coin so many dollars on the present basis of 59 cents. If the appropriations were made available by use of printing press money, there wouldn't be enough paper, and there wouldn't be enough presses to print the money if the paper supply were inexhaustible. In other words, it simply doesn't make sense to anybody but a Congressman.

Perhaps an analysis of some of the members with billion dollar minds might prove something, although we don't know what. Selecting a few for purposes of experiment, it might be appropriate to begin with Representative Martin, of Colorado, since to him belongs the distinction of introducing the first \$1,000,000,000 appropriation bill of the session. Mr. Martin was born in Cincinnati, educated in Missouri, farmed in Kansas, railroaded in Colorado and practiced law

HERE'S A VEGETABLE
That Writes Insurance

BUY sugar and you buy sucrose, compounded by Nature in numberless plants and trees. Buy beet sugar and you buy sucrose plus an "insurance policy" that guarantees the United States an internal supply of an essential food, no matter what may happen to supplies from overseas areas. Buying domestic beet sugar is good sense, it's good business. And, besides, there's no better sugar!

More than assuring a domestic sugar supply to thirty million Americans, the sugar beet itself is a form of crop insurance to farmers who grow it in a third of our states from Michigan to California. Deep-rooted beets suffer less from hail and pests than many other crops. Beets are a dependable cash crop, not competing with other major crops. Beets demand diversification—not all the farmer's eggs in one basket. Other crops show higher yields when properly grown in rotation with beets. Beet by-products, fed to livestock, improve soil fertility. Beet farms are better farms.

One hundred thousand efficient American farmers grow sugar beets on nearly a million fertile acres. In field and factory the industry gives employment to tens of thousands of workers, and its income energizes

the economic life of a hundred communities.

The engaging story of the benefits which the sugar beet confers on business and agriculture is told in a booklet, 'The Silver Wedge,' sent on request.

An industry engaged in developing American natural resources, improving American agriculture, and supplying American markets with an all-American food product

UNITED STATES BEET SUĞAR ASSOCIATION

844 GOLDEN CYCLE BLDG.

COLORADO SPRINGS, COLO.

in Pueblo. If there is anything to suggest that he has any conception of \$1,200,000,000 it is carefully concealed from public view.

Mr. Martin's chagrin and embarrassment can be imagined when, a few days after his proposed appropriation, Representative Usher Burdick of North Dakota stepped up and dropped a proposed appropriation in the hopper for \$90,000,000,000, and made his \$1,200,000,000 look like chicken feed. The country is entitled to know something of a member of Congress who can think rationally and speak intelligently about \$90,000,000,000, as Mr. Burdick presumably can.

Mr. Burdick was born near Owatonna, Minn., reared in Dakota Territory, bordering on the Fort Totten Sioux Indian Reservation, and understands the Sioux language, as well as finance; was graduated from the University of Minnesota, where he played football for two years in both of which Minnesota was champion of the Big Ten. After that he practiced law and was credit manager of the First National Bank of Munich, N. Dak., not listed among towns of 2,500 population and more. He has written many books on western history.

It is a big drop from \$90,000,000,000,000 to a paltry \$33,500,000,000, but this figure was the best Representative Matthew Dunn of Pennsylvania could do. He was born and has spent his life in Allegheny County, Pa. He attended the common schools of Pittsburgh, sold newspapers, lost an eye in an accident at the age of 12 and

the sight of the other eye in a wrestling match at the age of 20. He has demonstrated his versatility by running on all the tickets there are. He came to Congress first as a candidate on the Democratic, Independent and Jobless tickets, was reelected on the Democratic and Republican tickets, and came back a third time as the Democratic and Independent nominee.

#### From teacher to 12 billion

REPRESENTATIVE John Buel Snyder, a colleague of Representative Dunn, from Perryopolis, Pa., is next in line in the size of appropriation bills, but the best he could offer was a modest \$12,000,000,000. Representative Snyder was born on a farm in Upper Turkeyfoot Township, attended country school and taught "in native township," meaning Turkeyfoot, attended summer school at Harvard and Columbia, became district manager for text book publishers and "legislative agent" for Pennsylvania school directors. He founded the "Pennsylvania High School Literary, Debate and Musical League," and is serving his third term in Congress.

The next largest appropriator in the House is Representative William Lemke, who needs no introduction. He is close on the heels of Representative Snyder with three bills to appropriate \$11,000,000,000. Mr. Lemke comes from North Dakota, was a candidate for the presidency on the Union Party ticket, but was not elected. He is a nonpartisan in politics. He has been connected with practically

every farm organization in the Northwest, and estimates that \$11,000,000,000 would rehabilitate the farmers permanently.

Several other members might have achieved a niche in the hall of fame by the simple process of putting another cipher or two on their proposed appropriations, but members unable to visualize the service they might perform for the country by appropriating \$10,000,000,000 or more out of the public treasury, deserve to be relegated to obscurity.

Possibly all this is a reflection of the spirit pervading the country. Has it come to pass that the quality of statesmanship is measured by the length of the row of figures in appropriation bills? It is observed that none of those prescribing large appropriations have added their testimonial to tax bills with which to produce the money they propose to spend.

There has been some mention of an economy wave, yet, if all the appropriations asked by members of Congress in the first three months of the present session, before it really got down to business, should pass, those items alone would amount to almost five times the present public debt, 30 times the present annual cost of government and 60 times the annual rate of government income.

Only one thing is certain, and that is if the proposed appropriations are necessary to heal the country of its afflictions, it must be sick unto death. It is possible that, instead of more of the same medicine, the country needs a change of doctors—perhaps a business man.

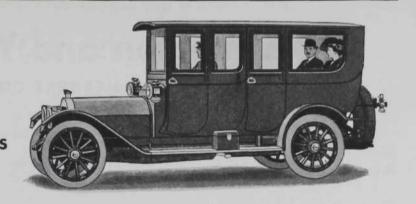


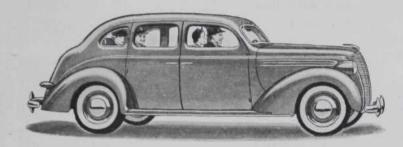
If all the proposed appropriation bills were passed, the money needed to carry them out would inundate the country—provided there was that much money

THIS MOTOR CAR

OF 1912

WEIGHED 6000 POUNDS





THIS CAR OF 1937 WEIGHS
ONLY 3000 POUNDS
BUT IS FAR STRONGER—FAR SAFER

# Why shouldn't railroad trains be lighter too?

• The answer is, they should be and some of them are. The new stainless-steel cars built by the Edw. G. Budd Manufacturing Company are 40 to 50 per cent lighter than ordinary steel cars carrying the same number of passengers.

It is no coincidence that these new trains should have followed the same line of development as the motor car. The Budd Company pioneered ALL STEEL bodies for automobiles. Now Budd is applying principles of lightness, strength and comfort to rail transportation.

For instance, two of the Budd-built trains\* now in operation on one of America's great railroads each weigh 800,000 pounds less than their predecessors. 1,600,000 pounds less weight to pull 1034 miles every day!

This saving has made possible higher sustained speeds. The trip is made in 16 hours, at an average speed of 65.3 miles per hour. And safety is increased because stainless steel has four times the elastic strength of ordinary steel—more than twice the elastic strength of less expensive alloys.

Next time you see a gleaming stainless-steel train flash by, remember that

the success of modern, rapid railroad transportation is the result of Budd's light-weight stainless-steel construction.

The elimination of so much unnecessary dead-weight makes not only a swifter but a more comfortable train. It brings economies in operation whether the train is drawn by steam, diesel or electric power. It is easier on rails and roadbed. The cars are roomier for passengers.

These modern trains have brought a new comfort and convenience to

railroad travel and, at the same time, have proved exceedingly profitable to the railroads.

★The Denver Zephyrs, running each way daily on the Burlington Route, overnight between Chicago and Denver, 1034 miles in 16 hours.



## EDW. G. BUDD MANUFACTURING COMPANY

PHILADELPHIA AND DETROIT
BUDD METHODS SAFELY ELIMINATE DEAD-WEIGHT

## Washington and Your Business

#### By HERBERT COREY

#### Another Cup of That Boston Tea

ONE of the ace members of the Senate says that he is disturbed by the nature of his correspondence; "A tax rebellion is coming."

He foresees widespread tax avoid-

ance among both little and big taxpayers.

"Those who write to me are continually complaining that Congress seems to be chiefly concerned with spending and hardly at all with saving."

He notes that no country has more different kinds of taxes than France, and that the French people have a world preeminence for tax-dodging.

#### Swollen Taxes **Cutting Charities**

"UNDER normal economic conditions I would have made bequests to charities, but in view of the heavy taxes and the uncertainties of the future such further bequests at this

time would mean unreasonable contributions on the part

of my sons."

The quotation is from the will of William A. Taylor, retired dry goods merchant of New York, who left a considerable fortune. About the same time a New York paper carried an item about a Pay No Tax League some one was trying to form. The members propose to report the tax due as is customary, but pay none of it.

#### Station Agent Led a Revolt

THE non-payers will certainly get into trouble, but that seems to be the idea. Some years ago I wrote a story about a station agent in a small Kentucky town. He was an-

noyed by the sum of the taxes he paid and the fact that he seemed to get little for it. He stirred up his neighbors. The results were, in order of incidence:

A change in the political control of the county; reduction in the tax rate; Wiser spending of the tax money.

#### **Bootleggers** are Tax Test Tubes

"WE may expect a further increase in consumption of alcoholic beverages for 1937, with consequent increases in public revenues from alcoholic revenues" is the comment of

the Distilled Spirits Institute. "But the bootlegger stands ready to recover lost ground whenever legislators disregard his capacity to take advantage of high liquor tax rates and seek to balance their budgets by the simple device of increasing the tax on alcoholic beverages.'

On The Hill they say that a tax boost might slacken the sale of Uncle Sam's own brand of Government House rum.

#### **Rum Makers** Are not Pleased

THOSE engaged in the distillation, importation and sale of rums other than the Government's own Government House brand complain that the market has been badly shot.

Representative Lucas, who won the fight to tax black strap molasses if used for distilling and not for livestock feed, says that 179,123,000 gallons were used by the distillers last year, which is the equivalent of 28,-660,000 bushels of corn. The rum men ask:

"If we have to pay a tax on molasses and the Government does not have to pay a tax on the black strap used in distilling its own rum, just where does that leave the tax-paying industry of rum-making?"

#### One Joke that Backfired

FREDERICK WILLIAM WILE told this story in his column of political comment:

"One of Washington's lawyers re-

cently attended the high school commencement exercises in his old home town in the Ozarks. He found the class of '37 is fully abreast of the times; for it had adopted as its graduation slogan:

"WPA, Here We Come."

On mature consideration Mr. Wile does not think that is very funny.

#### How to Make Spending Easy

ONE of the proposals of the President's committee on the plan to reorganize the Government is that Congress shall make appropriations in lumps and turn the money

over to the Executive to spend at will. It was greeted by thumbs down in both houses. Not many members think that Congress will give up its control over expenditures.

"If we cannot earmark we might as well stay home," said one. Representative Martin of Massachusetts

"You can't save money by making it easier for the man who spends the cash."

#### Senator Byrd is on the Warpath

SENATOR BYRD of Virginia asks that the Resettlement Administration be closed down, the 200 projects now being directed by it suspended, and that its operations of

the past be investigated:

"When the true facts are known—the conditions will

approach a national scandal."

Official figures show that Tugwelltown, near Washington, a project for city workers, will cost \$16.182 per unit and perhaps more. The 880 city families have been provided with 12,345 acres on which to play. Mr. Byrd states that, after the cost of off-side enterprises is deducted the cost of each of the 200 units at Hightstown, N. J., is \$18,000.

"This Resettlement Administration is without a particle of common sense and takes first prize in wanton waste."

He has asked that every member of both Houses of Congress drive out to Tugwelltown and take a look at \$14,000,000 worth of uplift.

#### A Grand Scheme if it Works

TWENTY or more states have already set up administrations to handle the money to be provided by the federal Government under the Wagner Housing bill, if and when

it becomes a law. Some of the 20 are financing a lobby in Washington to make certain they get it.

(Note. The word "lobby" will be objected to. But it is said with a smile. If I knew a nicer word I'd use it.)

In the past the local administrations have been operat-

## LOWEST PRICE IN HISTORY!



## NEW FRIGIDAIRE WATER COOLER WITH THE METER-MISER

15¢ a day buys it ... as little as 2¢ a day runs it!

• Your office and home can now have Frigidaire-cooled water at less cost than old-way methods! For the remarkable new Frigidaire Water Cooler with the Meter-Miser slashes operating cost to the very bone. As little as 2c a day runs it . . . and only 15c a day buys it!

This new Frigidaire Cooler aids health

This new Frigidaire Cooler aids health and comfort by making an abundant supply of cool, refreshing water always conveniently available. And it operates on amazingly little current. For every one of these coolers has the famous Meter-Miser, the simplest refrigerating mechanism ever built. It is, in fact, the very same unit as is used in Frigidaire

Household refrigerators. Built and backed by General Motors, it comes to you with a 5-Year Protection Plan against service expense.

In addition to the Meter-Miser, this new Frigidaire Cooler offers you dozens of other advantages, many of them never before available at so low a price. Easy cleaning, fast cooling, Cold Control temperature regulator, "Freon-114"—the safe refrigerant used only by Frigidaire, and many other exclusive features.

This beautiful new cooler is available

for either bottled water or city pressure connection, and it may be had either in handsome Bronze or White Duco finish. See it at your nearest dealer's store today. There is Frigidaire water-cooling equipment for every need. Write for free booklet, describing the full line. Address Dept. 66-8, Frigidaire Division, General Motors Sales Corp., Dayton, O.

Every Frigidaire water cooler with the Meter-Miser carries a 5-Year Protection Planagainst service expense on the mechanical unit.





DRINK FRIGIDAIRE-COOLED WATER FOR

BETTER HEALTH . . . GREATER EFFICIENCY

ing on WPA money, but that market is getting tighter. If the Wagner bill becomes a law-and it might in some chastened form—the federal Government may lend 100 per cent on the housing ventures and follow by an annual subsidy to cover interest and amortization.

#### **Another Way to** Kill that Cat

IF the federal Government pays itself the interest and amortization due it, then the embarrassing position will be avoided in which the Farm Credit Administration finds

itself. In the past four years, the FCA has been compelled to foreclose on about 40,000 farms. The owners in some cases could not pay and in other cases would not pay.

The FCA still owns 23,195 farms and is holding 7,723 others, pending the expiration of the redemption periods set up by the laws of the various states. William I. Myers, governor of the FCA, has said in effect that foreclosure has been forced on the Government:

"Permanent subsidies (for the distressed farmer) would lead to a demand for similar subsidies for home owners, or to the loss of these credit institutions, or both."

#### They Still Wear "Dunce-Caps"

AT a guess three Washington correspondents out of five believe that President Roosevelt will be a candidate for a third term, if he can get it. This belief is based on many rea-

sons, and notably on his delight in breaking precedents. But it may be some time before the question is asked again in the President's press conferences. On the latest time of asking the questioner was told to:

"Put on a dunce cap and go stand in the corner."

The other reporters laughed dutifully at the man who had been crowned with raspberries, but observed to each other that the question had not been answered. Some of them are recurring to it in their correspondence.

#### Social Security and the Debts

GOSSIPS have it that the Social Security law is due for something of an overhauling. The Supreme Court held that the law was within the bounds of the Constitution on

the argument of Assistant Attorney General Robert H. Jackson:

"If the workman in his productive years contributes to Treasury of the United States, then in his unproductive years the Treasury will contribute to his necessities. We submit there is nothing unconstitutional in this exercise of the power to tax and the power to appropriate."

In practice, the Social Security taxes are covered into the general revenue fund, and demands made upon the Social Security administration will be paid from the general revenue fund. But Owen L. Scott comments:

"Some of the Government's financial experts are asking whether the President intends to use social security billions taken from the 26,000,000 workers to provide subsidies to the poverty stricken."

The experts agree that this is not desirable. Nor do they want the social security billions placed in an earmarked fund. What to do! What to do!

#### This is the Way We Do Business

SOMETIMES the federal Government appears to be positively quaint in its way of doing business. A western man agreed to pay a certain sum for the garbage privileges

at a veterans' hospital, the hospital agreeing to provide 36,000 pounds a month. Then a wave of economy cut the garbage output to 14,000 pounds monthly:

"I cannot pay the sum originally agreed on," said the

contractor, "but I will pay you at the rate of 14-36ths of that sum."

Hospital authorities agreed to that. But when Washington found out what had happened, the contractor was notified that he must pay the full contract price, or else. The battle is still waging.

## Uncle Sam Not

SOMETIMES the old gentleman in the striped pants is almost unbelievably considerate, however. In Always So Tight one of the southern states there is a marsh which has been quite useless

to its owner. Its only activity was to breed mosquitoes and run up taxes. So he sold it to the Government.

"But I might get lonesome without my marsh," said he, "and so I want to insert a clause in the contract providing that at any time in the future I may select I may buy it back at the original purchase price.'

The arrangement saves him taxes and carrying charges. In the meantime thar's said to be oil in them thar swamps.

#### No Butter Used to Kill this Cat

THE sub rosa story is that Chairman A. E. Morgan of the Tennessee Valley Authority is about to be promoted into some handsome obscurity. Chairman Morgan and Author-

ity Lilienthal fell out some time ago over a number of things, but principally over the kind of treatment that should be given the utilities.

Morgan would be stern with them. Stern but fair.

Lilienthal would merely eat 'em up.

Morgan refused to resign when he lost the decision, unless, according to the story, Mr. Roosevelt in person asked him to do so. That unpleasant possibility has been avoided, however. Lilienthal and H. A. Morgan, the Third Authority, have, as majority members of the Board, appointed John B. Blandford, Jr., as general manager in charge of administration. In practical effect this leaves Chairman A. E. Morgan bereft of everything but a key to the offices.

#### Norris Grooming Ross for Job

JOHN D. ROSS is now one of the Securities and Exchange Commission, because of certain political happenings on the West Coast. He had been for years manager of

Seattle's municipally owned utility plant, and is generally regarded as the tops among managers of municipal plants. The story goes that Senator Norris wants Ross to take the place on the TVA now held by Chairman Morgan:

"He wants him to have a spell of training under Lilienthal before he goes back to the West Coast to take charge of the Washington-Oregon regional authority to

If Morgan will step out now he can have a nice job with an air-cooled office and everything. The betting in the TVA is that he will do no such a thing.

#### CIO and Its Men and Money

BEST guess is that today the CIO has about 3,000,000 members. No permanent organization has yet been formed, and it is living on voluntary contributions from the ten

original unions and others that have come in since the move began away from the A. F. of L. It hopes to add 800,000 federal workers, 75,000 fruit and vegetable canners, 100,000 woodworkers, tobacco workers, teachers, seamen and so on. If and when a permanent organization is formed and discipline becomes possible Lewis will rub a number of noses in the sand.

"He is spotting the leaders now," his friends say.



Are you one of the tens of thousands of people who have still to experience the greatest thrill in motoring—the Knee-Action Gliding Ride! If so, please accept this as a personal invitation to experience Knee-Action—the ride that's so safe, so comfortable, so different—the ride that's available at low prices only in the new 1937 Chevrolet. Come drive this better low-priced car—today!



NEW HIGH-COMPRESSION VALVE-IN-HEAD ENGINE—NEW ALL-SILENT, ALL-STEEL BODIES—NEW DIAMOND CROWN SPEEDLINE STYLING—PERFECTED HYDRAULIC BRAKES—IMPROVED GLIDING KNEE-ACTION RIDE\*—SAFETY PLATE GLASS ALL AROUND—GENUINE FISHER NO DRAFT VENTILATION—SUPER-SAFE SHOCKPROOF STEERING\*.

\*Knee-Action and Shockproof Steering on Master De Luxe models only. General Motors Installment Plan—monthly payments to suit your purse. CHEVROLET MOTOR DIVISION, General Motors Sales Corporation, DETROIT, MICHIGAN.



"These men who go off half-cocked and holler in meeting will be put in the cooler."

## Mute Men Who

THERE is a chance that a good part of President Roosevelt's reorganization bill may go through. He might May Carry Clubs get his six assistants with that "passion for anonymity" he desires.

There seems to be a feeling in Congress that Presidents have been overworked men. If the strain can be lessened by granting him half a dozen unofficial assistants small objection will be made. They will be the top sergeants who do the work of the company while the second looeys in the Cabinet wear the tin swords. Congress is made up of practical men who recognize that Cabinet positions are political appointments and that a President needs men who can more directly and positively represent him, and who can be disavowed at need without starting fires in the forests.

#### "Don't Tread on Me" Flag is Up

THE prospect seems not to be so good for the granting of power to shift and rearrange the government bureaus. Senator Robinson's recasting of the bill first proposed by

the President's Committee on Reorganization provides that the independent commissions shall be let alone. Congressional pressure was promptly turned on to retain the flood control operations in the hands of the Army's engineers. They have been doing a good job and Congress likes to deal with them.

Chiefs of the various bureaus have been bearing down on Congress to save their organizations from amalgamation and shifting and interference generally and, if the history of the past may be accepted as a guide, most of them will win. Here and there a minor bureau may be moved about. No heated objection has been filed to the creation of a new Department of Welfare in which may be placed Social Security, unemployment relief, health, education and the like, nor to changing the name of the Department of the Interior to the Department of Conservation.

#### Change in Civil Service Possible

SENTIMENT is developing in favor of the shift in Civil Service, by which one man will replace the three man commission. This is in line with modern practice.

Nor will there be much opposition to blanketing into Civil Service protection the present employes of the Government, barring the top men who form or carry out

The fate of the office of Comptroller General depends on whether Mr. Roosevelt can regain the power over Congress he seems to have lost in part. If he does not, then Congress will not submit to the elimination of the right to pre-audit executive expenditures. The Comptroller General has been useful in the past.

#### Maybe Logan Hit a Foul Ball

WHEN Senator M. M. Logan of Kentucky took over floor control of the substitute for the President's bill to add six judges to the Supreme Court he said in effect that:

"The opposition to the bill is based on a desire to seize the control of the Democratic party."

A careful student of the situation thinks that Logan made a grave error.

"The fact is that the chief difference between the Democratic senators in opposition and the Democratic senators in support is that the men of the opposition are zealous. Logan affronted them."

The others, he said, will support the bill. But they

will not fight for it the way the opposition senators will. For this reason he is confident that the bill will never be made law.

#### More Trouble is in the Pot

MEANWHILE there are troubles not immediately visible to the outsider's eye. The story goes that the day before John N. Garner left his Uvalde home for a two weeks' fish-

ing trip-on July 1 or thereabouts-he had received an urgent request that he come back to Washington and go to work again. The story further adds:

"The reason why Garner will not come back is that he does not want to get into trouble that he can avoid. He thinks that Jesse Jones would be a good candidate for the presidential nomination in 1940 and as one Texas man to another he would not do anything to interfere."

Senator Robinson was a loyal leader for the President on the Senate floor. That did not keep him from saying things about the need for economy or from tearing the reorganization bill apart.

#### Sell a Farm and Buy a Railroad?

RAILROAD statisticians are reporting an extraordinary prevalence of headaches in executive offices. The new Railroad Retirement Act has just become effective. Some 1,-

500,000 employees will benefit. . . . About 1,100,000 employees want pay boosts. . . . A compelled economy is leading the railroads to build or plan to build locomotives that can pull 150 freight cars. . . . Senator McCarren's bill would prohibit hauling more than 70 cars. . . . The I.C.C. has never been friendly to rate increases. . . .

Charles J. Hardy, president of American Car and Foundry company, comments on the situation:

"The actual needs of the railroads for equipment, both motive power and rolling stock, have not been met. . . . There is a decided lull in buying. . . . The country is in the midst of a formidable conflict between industry and labor. . . . Upon the outcome may depend the future, not only of industry, but of labor as well."

#### **Program Slowed** by the "Musts"

CONGRESS could lock the door and put out the cat inside of a week if it were let. Congress wants almost pitifully to go home. Congress wants to find out what the neighbors are

talking about. The letters have not been reassuring. But the "must" legislation holds it up. No one thinks the court bill, the reorganization bill, and the farm legislation can be gotten through much before August 15. September 1 is a likelier date. Any serious attempt to rewrite the Wagner Labor Act would further slow down the march toward home. Yet there seems to be fairly general agreement that something must be done. This is what Leo Wolman says of it:

#### Sounds Like Treason

"IT stands in sharp contrast to the labor law of England, by the terms of which coercive acts are outlawed, threats against the public authorities forbidden, the accounts of labor

unions made subject to registration with public agencies, and the contributions of labor unions to political parties brought under strict control.

"If there is merit in the current demand for amendments to the Wagner Act, it consists in defining more clearly the rights and responsibilities of employers and subjecting organized labor to simple and decent regulations of this sort."

Mr. Wolman was one of the most relied upon economists in the NRA set-up. He is now a professor at Columbia University.

Thomas J. Watson

## Leaders in the March of Business



Paul B. Sommers

HOMAS J. WATSON of International Business Machines Corp., and head of American Section of International Chamber of Commerce elected to presidency of International Chamber at ninth biennial meeting held in Berlin, Germany, where business men from all nations discussed effects of various monetary policies and sought remedies for trade barriers.

L. P. Bull, 34, vice president, Story & Clark Piano Co., re-elected president Piano Manufacturers Ass'n., which estimates that this year's production will run 40,000 units greater than 1936 record total of 90,358. Reasons for boom are increased musical interest and popularity of new console or vertical grand. Sheet music sales also up 20 per cent with \$35,000,000 sales in last 12 months.

Paul B. Sommers, 52, president, American Insurance Company of Newark and new president, National Board of Fire Underwriters, which pointed with pride to 40 per cent reduction of average fire insurance premium rate since 1900 but indicated upward trend of fire losses may check further rate decreases.

George P. Brockway, purchasing manager, American Optical Company, elected president National Ass'n. of Purchasing Agents at a convention featured by opinions that commodity prices in general will fluctuate only within narrow limits in near future despite disturbing world and labor conditions.

Elon Hooker, president Hooker Electro-Chemical Company, chosen chairman of National Industrial Conference Board, a non-profit research organization designed to promote effective management of productive industry. Its information is always available to the public Governing body of the Board consists of around 100 members actively engaged in business, who are elected by existing membership.



George P. Brockway

Elon Hooker

ACHE

## Utopia and/or Bust



(Continued from page 17)

WIFE:

Then I no more need mop the floor, My hand shall know no callus.

#### WOODCUTTER:

This humble hut at once we'll shut
And build a marble palace.
A coach and eight, I'll drive in state,
With lackies strewing roses.

WIFE:

We'll be arrayed in rich brocade And peering down our noses.

#### WOODCUTTER:

I'll find a berth to suit my worth As statesman, lord or jurist.

WIFE:

Let's go to town, I'll buy a gown And see a manicurist.

(There is a knock at the door)

#### WOODCUTTER:

Oh, dear, oh, dear, that's thieves, I fear! Who's that demands admittance?

CAPTAIN: (Outside):

My stomach screams for bread and beans, I beg you for a pittance.

WIFE:

It's some poor soul who seeks a dole—
A crust, some scraps of cheeses.
There's nothing here that I hold dear—
Let's give him what he pleases.

#### WOODCUTTER:

Come in, poor wight.

(The Captain enters)

Take what you like.
Food, dwelling, chairs and table.
It's far too cheap for us to keep—
Scarce better than a stable.

(The Woodcutter and his Wife go out with their heads held very high, carrying the bag of gold. The Captain sits down at the table.)

CAPTAIN:

Thanks. (Aside) Generous fool, by evening you'll

Know what would now surprise you: That gold itself cannot be wealth: That wealth is what it buys you.

TRADER: (Outside):

Hello!

CAPTAIN:

Hello!

TRADER: (Entering):

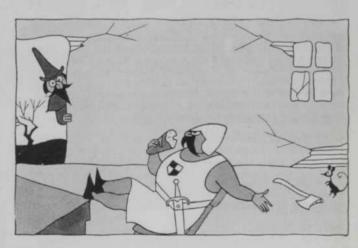
I say, what ho.
Is this a woodsman's dwelling?
And, if it be, where then is he,
And has he fuel worth selling?

CAPTAIN:

The woodsman blew. To town he flew
To spend his money, and your
Long trip's no good, he won't cut wood;
He's drunk with dreams of grand-eur.

TRADER:

It's come to pass that each man has Such gold he scarce can drag it.
But with this gold, they all are cold, Since none will cut a faggot.
So, if I could obtain some wood, I'd quickly profit plenty.
A grand a cord I'll pay for board—For I can sell at twenty.



CAPTAIN:

I'm not too lax to wield an axe;
I'll go and cut some switches.
'Twill do me good, and cutting wood
May be the road to riches.

TRADER:

You mean to say you're poor today, Of gold you haven't any?

CAPTAIN:

Some small mishaps at shooting craps And I have not a penny.

TRADER:

The gold that fell would fill a well, There's scarcely room to park it.



## BELL SYSTEM SERVICE IS BASED on Western Electric QUALITY

The name "Western Electric" on telephone equipment means high quality at low cost. Your Bell telephone company, and every other Bell company, shares the benefits of its centralized manufacturing.

This has brought constant improvement in the speed, clarity and efficiency of the telephone-saved millions of dollars for Bell telephone users-and helped to give this country the best telephone service in the world.

## ORGANIZED FOR SERVICE TO THE PUBLIC

The Western Electric Company is an integral part of the Bell System. Its purpose is to provide a dependable supply of telephone equipment of high quality at low cost. The Western Electric plan of centralized manufacturing and distributing has half a century of proved benefits behind it. The increasing use of the telephone and the need for continued progress make it more important to the public than ever before.

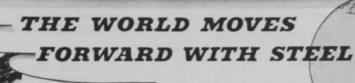
BELL TELEPHONE SYSTEM



## FASTER



## QUIETER - SEVEN TONS LIGHTER



This Streamliner is no more like the trolley of yesterday than the 1937 automobile is like the horseless carriage. It is built entirely of a new and stronger steel, USS Cor-Ten, and for that reason weighs seven tons less than the car it replaces.

It glides quietly along at fifty miles an hour on new resilient steel wheels made by Carnegie-Illinois Steel Corporation, a United States Steel subsidiary. It can pick up and slow down more quickly than any other street car ever built. It is wonderfully comfortable.

Four hundred of these cars have recently been ordered by street car companies in various parts of the country. Their cost of operation is so low that they will quickly pay for themselves.

Machinery and equipment which was good in its day is constantly being replaced with newer, lighter, better machinery and equipment because of improvements in the making of steel.

In the laboratories and plants of United States Steel the urge is constantly for steels of greater strength, endurance, resistance to corrosion, and beauty of finish.



AMERICAN BRIDGE COMPANY - AMERICAN STEEL & WIRE COMPANY - CANADIAN BRIDGE COMPANY, LTD. - CARNEGIE-ILLINOIS STEEL COMPORATION - COLUMBIA STEEL COMPANY - CYCLONE FENCE COMPANY - FEDERAL SHIPBUILDING AND DRY DOCK COMPANY - NATIONAL TUBE COMPANY - OIL WELL SUPPLY COMPANY SCULLY STEEL PRODUCTS COMPANY - TENNESSEE COAL, IRON & RAILROAD COMPANY UNIVERSAL ATLAS CEMENT COMPANY - United States Steel Corporation Subsidiaries

## UNITED STATES STEEL

The people cry for things to buy, Result: a seller's market. If we are wise we'll capitalize This opportune condition. What people need of fuel and feed We'll peddle on commission.

#### CAPTAIN:

I quite agree that you and me In partnership might find it A choice well made to turn to trade-And here's my hand to bind it.

(They shake hands as the curtain falls)

#### SCENE II (A FEW HOURS LATER)

A MARKET PLACE. People are milling around, each one carrying a bag of gold. They try the doors of the shops, which are locked and barred. The First Citizen pounds on the door of a shop. When nothing happens he turns to the Second Citizen and says:

#### FIRST CITIZEN:

Since early morn I've looked for corn. My arms are tired and aching From lugging gold. I'm hungry, cold, My back is nearly breaking.

#### SECOND CITIZEN:

With gold to spare, my feet are bare, The cobbler's last's deserted. I'm rich, you see, why must I be Untrousered and unshirted?

#### FIRST CITIZEN

When gold I'd none I had more fun, My life was far securer. This hoard, I vow, has made me now, Instead of richer—poorer.

#### SECOND CITIZEN:

I always thought that money brought Great joy. I was mistaken. It's just a bore; I'd trade it for A stack of wheats and bacon.

#### FIRST CITIZEN:

If fuel and bread cannot be had, This gold is just a bother. No more this sack shall bend my back, I'll carry it no farther. (He throws down the sack and goes out)

#### SECOND CITIZEN:

I have to own my wisdom's grown,



My own condition tell'th me, A golden rain is quite in vain: It's goods that make you wealthy.

(The Woodcutter and his Wife enter)

#### WOODCUTTER:

Make way! Make way! We've cash to pay For goods of every manner.

#### SECOND CITIZEN:

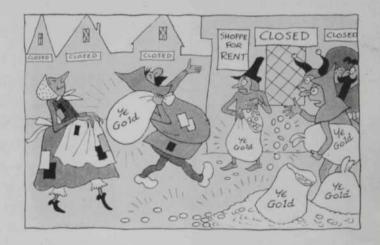
My rural friend, you couldn't spend A shilling, bob or tanner.

#### WIFE:

Lay off that stuff, we're rich enough To pay the debts the state owes.

#### SECOND CITIZEN:

It is no use, men won't produce. You'd better have potatoes.



#### WOODCUTTER:

My want is great for coach and eight With twenty liveried lackeys.

#### WIFE

And I have prayed for silk brocade And satins and alpacas.

#### SECOND CITIZEN:

I, too, have cash; I find it's trash; I'd swap this bag of money For fuel to warm my shivering form And food to fill my tummy.

(The Trader and the Captain enter driving a donkey loaded with bags and bundles.)

#### TRADER:

Good people, hail! We've goods for sale: Fuel, groceries, shirts and collars. What are we bid?

#### SECOND CITIZEN:

I'll give ten quid!

#### WOODCUTTER:

I'll give ten thousand dollars.

#### EVERYBODY IN STROPHE AND ANTISTROPHE

Ten thousand four!

Up Five! Five More!

Half million!

Million!

Billion!

## SIGHL SEEING MILH RAKETLE

## Electrical Appliance Industry

In the division of the Electrical Industries group which produces the appliances and devices that make life so much more comfortable and convenient today, the use of Bakelite Materials is practically universal.

Through the use of these materials, appliances have been made more durable and efficient, better looking, and often safer and more comfortable to use. In many instances, production and assembly operations are so simplified that final costs are lower.

The pictures illustrate just a few of the score of everyday electrical appliances in which Bakelite Materials are commonly used.



when you switch on the lights in home or office Bakelite Materials are brought into service. The switch plate and switch probably are of Bakelite Molded, and the glass bulb of the lamp is commonly based in Bakelite Cement.



THE ELECTRIC RANGE in the kitchen quite likely has handles and knobs of strong, cool Bakelite Molded, and electrical insulation parts of Bakelite Laminated. The automatic timer, too, probably is made with Bakelite Materials.



MODERN ELECTRIC PRESSING IRONS have cool, comfortably shaped handles of Bakelite Molded, and heater-plugs of a special heat-resistant Bakelite Material that does not char and is unusually strong.



MANY ELECTRIC REFRIGERATORS have doors provided with breaker strips of Bakelite Laminated which is unharmed by frost or moisture and makes doors permanently air tight. Thermo-switches are embedded in Bakelite Molded.



THE NEWEST VACUUM SWEEPERS use Bakelite Materials even more generously than the older designs. The make illustrated has many parts of Bakelite Materials, and a hood over the motor of a special Bakelite Molded.



ELECTRIC FANS of recent design use Bakelite Molded for the stand and also the motor housing. In addition, some fans have blades of Bakelite Laminated instead of metal, providing extremely quiet operation even at high speeds.



THROUGHOUT the telephone system Bakelite Materials are used for insulation. In addition, the convenient modern telephone hand-set is formed of Bakelite Molded, and in some types the cradle base also.

MANUFACTURERS, not only of electrical devices, but of products of every description have found in Bakelite Materials, Molded, Laminated, Cast, Varnish and others, the solution of problems in production, performance, appearance and saleability. Our engineers will be glad to discuss with you the possibilities of Bakelite Materials for your products. May we suggest that you write for our illustrated booklets 1M, "Bakelite Molded," 1L, "Bakelite Laminated," and 1V, "Bakelite Varnish."

Bakelite Corporation, 247 Park Avenue, New York Bakelite Corp. of Canada, Ltd., 163 Dufferin Street, Toronto



\*Trade Mark Reg. U.S. Pat, Off.

Five grand for wheat!

Corn!

Trousers!

Meat!

Sheep!

Mutton!

Barley!

TRILLION!!!

(In the midst of the bargaining the curtain is lowered to denote the passing of a few minutes. When it rises again, the stage is empty except for the Trader and the Captain who sit side by side on a pile of bags of gold which practically fills the stage.)

TRADER:

A lesson stern they've paid to learn



Through turmoil, strife and ruction. Wealth isn't made by what you're paid— If pay outstrips production.

(Curtain)

#### ACT THREE

SCENE 1 (THAT NIGHT)

SAME AS ACT ONE. Only now the throne is no longer standing. A few scraps of wood on the floor indicate that it has been broken up to build a fire which burns in the center of the room and beside which the King kneels, stirring something cooking in a pot.

KING:

Oh, who would think the King would sink To cook the royal suppers; That methods which my land enrich Would put me on my uppers.

(The Jester enters. It is plain he has been badly mauled. His clothing is torn and one arm is in a sling. In the other he still carries his bag of gold which he tosses carelessly into a corner and comes down and kneels across the fire from the King.)

JESTER:

Oh, monarch high, please grant that I May share the royal porridge.

KING:

It's not so much—of flour a touch, And chickens from cold storage. But, Jester, tell what ill befell? What trouble have you sampled?

JESTER:

I tried to face the market place And there was badly trampled. All day I strode with golden load In search of goods to purchase. But found each man throughout the land Engaged in similar searches. So forge and mill were dark and still, Plows rusted in the furrow; And then I found men, market-bound, With goods upon a burrow. I hurried there to see the ware, Determined I would buy it. But others, too, had this in view, And shortly there's a riot. All I obtain is grief and pain, These bruises and contusions; Down underneath I lost my teeth-Also my fond illusions.

KING.

What's this I'm told? With all this gold You say that trade is idle?

(Prime Minister enters carrying four bags of gold)

Ah, here's a man I know who can
Dispute your strange recital.

My dear Premier, what have we here?
You've gathered gold in plenty.

#### PRIME MINISTER:

My castle I sold to a guy
For what it's worth—times twenty.

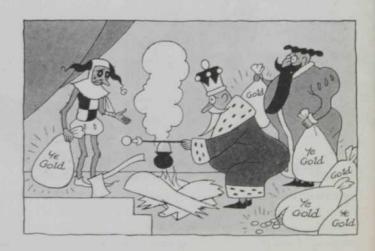
KING:

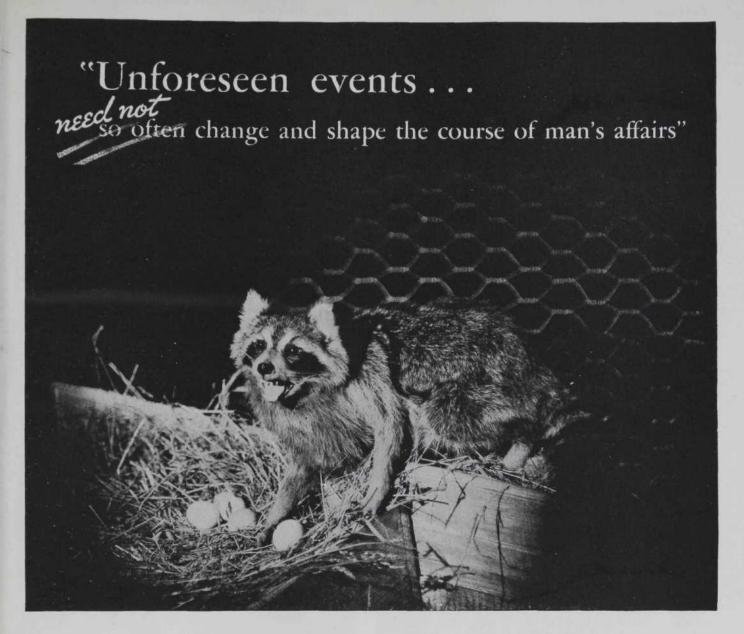
That was, I feel, a clever deal, At business you're a winner.

#### PRIME MINISTER:

I'm not so sure. I find I'm poor
And cannot buy my dinner.
'Twould take the gold for which I sold
My home to tip the waiters.
What would it take to buy a steak,
With coffee and potaters?

(The Captain and the Trader enter)





#### A LITTLE LIGHT ON A DARK SUBJECT

IT IS common knowledge that burglary most often occurs under cover of darkness. Even the robbing raccoon instinctively waits until nightfall to raid a nest. But far more important to the success of burglary than the actual gloom of night is the clouded public recognition of the entire subject. You make sure you protect your belongings with fire insurance. Yet burglary occurs six times as often as fire.

Against this constant threat of loss, The Maryland offers

the protection of broad burglary policies covering homes, stores, factories and offices. The residence policy insures against burglary and hold-up, and theft by servants, delivery men, and solicitors.

Any one of the 10,000 Maryland Agents throughout the United States, Alaska, Canada, Cuba, Puerto Rico, the Canal Zone and Hawaii will be glad to tell you how little it costs to have this vital protection against the Unforeseen.

## THE MARYLAND

MARYLAND CASUALTY COMPANY . BALTIMORE

The Maryland writes more than 20 bonding lines, including... Fidelity... Banker's Blanket... Contract... Check Alteration and Forgery... Depository... Fraud Public Official Bonds... Judicial. More than 40 types of Casualty Insurance, including... Aircraft... Engine... Automobile... Burglary... Boiler... Elevator Accident and Health... Fly Wheel... General Liability... Plate Glass... Electrical Machinery... Sprinkler Leakage... Water Damage... Workmen's Compensation

CAPTAIN:

Oh, King, if you will just renew My job, you'll find me steady.

TRADER:

I'd like a trial as rank and file-That is, if chow is ready.

JESTER .

King, they're the two I spoke of who Sold goods past computation; Why should they ask for patronage Like any poor relation?

CAPTAIN:

The goods we sold, we sold for gold. We took an awful lickin'-It takes a keg to buy an egg, A truckload for a chicken. We can't afford our room and board Without a job or pension. How millionaires or less will fare Is just too sad to mention.

(The King begins to weep)

PRIME MINISTER:

Oh, from such scenes of royal woe The kindly gods deliver us. What grieves his kingly highness so, And makes him weep vociferous?

KING:

Oh, dear Premier, bend near and hear Just why these tears are falling: The land, alack, is out of whack, The prices are appalling. We do our part by methods smart To legislate salvation. But we're denied on every side Business cooperation. Oh, woe is me, that men should be So lacking in acumen, That schemes which seem so fine in dreams Won't work applied to humans. But if the land can't understand My generous golden blizzard, I'll try again. Attention, men! Go find another wizard!

(Curtain)

Autos Round the World

SHIPMENTS abroad of passenger automobiles in 1936 totaled 182,000, exceeding the five-year average by 80.2 per cent-a quantity far surpassing that for any year since 1929, according to figures published in "Our World Trade" a publication of the Foreign Commerce Department of the United States Chamber of Commerce.

There has been a marked shift in our markets for passenger cars, our best market in 1936 being South Africa, to which we exported 35,817 cars. Other leading customers were Australia, 17,804; Belgium, 11,315; Argentina, 11,047; Sweden, 10,130.

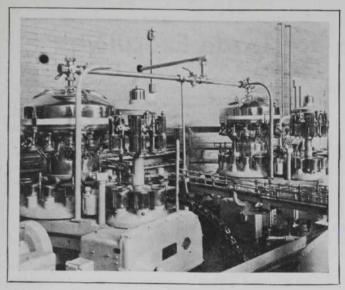
The best market for trucks was Australia with South Africa, Japan, India, Brazil and Mexico following.

One of the heaviest export increases was in automobile engines-172.8 per cent above the five-year average.

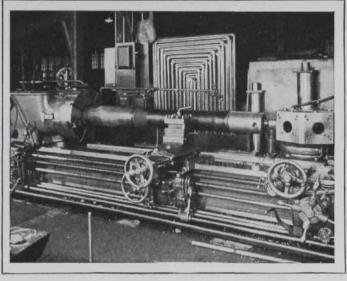


American-made automobiles are a leading factor in increased foreign trade

Modern cars like this Plym outh ordered by the Maharaja of Indore replace purdan wagons in India



This battery of Vacuum Fillers is typical of the modern equipment being purchased by modern dairies with the aid of the C.I.T. Equipment Funding Plan.



(ABOVE) This lathe was purchased by a manufacturer on the C. I. T. Equipment Funding Plan. This manufacturer in turn, sells his own product on the C. I. T. Plan.

(BELOW) This electric stripping shovel is one of three purchased through C. I. T. in a transaction involving funding of more than a million dollars over a period of several years.

## This Equipment is paying for itself

Business firms in many lines are taking advantage of the C. I. T. Equipment Funding Plan by which machinery and equipment can be purchased with small cash outlay



PURCHASERS of heavy machinery and other plant equipment involving thousands of dollars are daily making use of the C. I. T. Equipment Funding Plan.

Under this plan, cash is made available immediately for the purchase of productive equipment. The financing charge is the lowest generally available for such purposes and is much less than the cost of floating small capital issues. The plan also provides for fixed amortization over a period of several years during the early earning life of the equipment. Machinery or other equipment thus acquired helps to earn its own purchase price.

Why not investigate the C.I.T. Equipment Funding Plan for your

business? With modern, improved machinery, you can start cutting costs immediately—and pay at least part of the cost of the new equipment out of savings. We will be glad to explain the C.I.T. Equipment Funding Plan to you in detail.

An informative booklet, "C.I.T. at Work in Industry," sent free on request



### COMMERCIAL INVESTMENT TRUST INCORPORATED

A UNIT OF COMMERCIAL INVESTMENT TRUST CORPORATION

Combined capital and surplus over \$100,000,000 • One Park Avenue, New York City

# BLUE BELL OVERALL PLANT CUTS FUEL COSTS 25% WITH IRON FIREMAN



### An investment that pays big dividends

You would gladly save from 15c to 50c on every heating dollar—particularly when greatly improved firing went hand in hand with the saving. That's exactly what Iron Fireman has done for thousands of owners and what it should do for you.

The facts are easy to obtain. Your Iron Fireman dealer will make a free survey and submit an accurate report covering lower fuel and labor costs, elimination of smoke nuisance and increased boiler efficiency. Ask for this service or write to 3258 W. 106th St., Cleveland, for literature. Iron Fireman Bin-Feed or Hopper models are quickly installed in boilers developing up to 500 h.p. Easy terms of payment. Iron Fireman Mfg. Co., Portland, Oregon; Cleveland, Ohio; Toronto, Canada. Dealers everywhere.



Iron Fireman stoker installation in Kewanes boiler at the



### School for Trade Executives

CHAMBER of commerce and trade association executives have a school all their own. Each year they gather at Northwestern University, Evanston, Ill., for a week's concentrated study of their organization and management problems. While they delve deep into such every-day matters as membership, financing and publicity, they also scan the broad horizon of business to discover new trends and to determine what new services their organizations may render to American business.

Conducted under the joint auspices of Northwestern University, the National Association of Commercial Organization Secretaries, the American Trade Association Executives and the Chamber of Commerce of the United States, the "National Institute for Commercial and Trade Organization Executives" will hold its fifteenth annual session from August 15 to 21 this year. Advance registrations are greater than at any time since 1929, reflecting the desire for self-improvement among organization executives as well as the general upward trend in business.

The Institute offers courses for beginners and for advanced students, together with certain fundamental courses which are open to all those who attend. Certificates are presented to those who successfully pass the examinations after completing the course of study and graduates find their Institute training is one of their most valuable assets. On the faculty of the Institute are men who have had years of practical experience in chamber of commerce and trade association work, as well as men of national repute in the fields of business, economics and government.

Students at this year's session of the Institute will have an opportunity to hear discussions on wage and hour legislation, industrial relations, the trend of prices, the housing situation, the general Washington picture and other phases of the present situation which are of more than ordinary importance to them.

Subjects for the fundamental lectures will include: "Industrial Financing"; "Fundamentals of the Agricultural Problem"; "Influencing Men in Business"; "The Washington Picture"; "Prices—How High?", and "Balanced Rebuilding of Cities."

The classroom facilities of Northwestern University are used for all lectures, and the dormitories are available for students who wish to live there. Tuition, board and room are provided at minimum rates. Social and recreational activities add much to the pleasure of the week.



"There's a man here from United Bakers. They want to borrow a cup of sugar."



VERDRESSED, you'd say, even for the tennis of long ago. But you should have seen her in winter. Layer upon layer of wool, and thankful for every bit of itfor this belle of the gay nineties lived in a home that was far from comfortable.

The bustle is no more. And today the home of the nineties is just as obsolete. Industrial research men have been busy developing new materials which make even the modest cottage safer and far more liveable than the ornate mansion of Victorian days.

Thanks to Johns-Manville research,

you can now have a home that is Triple Insulated-that is, "insulated," or protected, against fire, weather and wear. The roof and sidewalls of such a home are charming as the weathered-wood shingles of Old New England, yet they can't burn, and they will never wear out -they are made of asbestos and cement.

Living quarters are enveloped in a full-thick blanket of Johns-Manville Rock Wool Home Insulation-rooms are cooler on sweltering days, warmer and less drafty in winter.

The ugly plaster cracks that so often ruined the wallpaper in our grandmothers' homes have been practically eliminated; J-M Steeltex provides stronger, reinforced plaster on walls and ceilings.

Now, these modern Johns-Manville Building Materials can be skillfully combined to create a home that is thoroughly modern in safety, in livability, and in ease and economy of upkeep.

Local architects and building contractors can tell you all about this most modern of homes-or you may write direct to Johns-Manville for "The Book of Triple-Insulated Homes." Johns-Manville, 22 E. 40th St., New York City.

### JOHNS-MANVILLE

Weathered, hand-hewn wood shingles? Wrong! These are J-M's Salem Shingles . . . made of asbestos, they are fire-, weather- and time-proof.

Asbestos. But you'd never guess it. J-M Asbestos Siding Shingles are charming as fine old weathered wood—won't burn—can't wear out.





Johns-Manville Rock Wool Home Insulation helps keep rooms up to 15° cooler in hottest weather— warmer in winter—cuts fuel bills up to 30%.

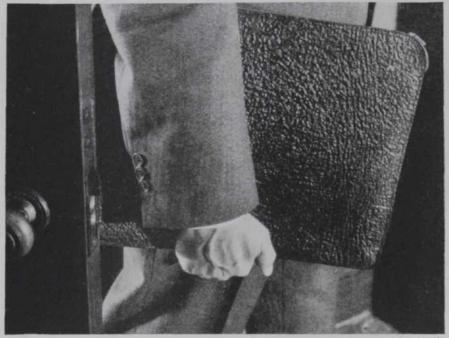




### Don't Mind Your Own Business!

By O. R. JOHNSON

Treasurer, Trade-Ways, Inc.



H. I. NESMITH

As people obtain more money to spend, it becomes increasingly difficult to forecast how they will spend it

N ANY typical, reasonably well managed company, the major department heads have learned to mind their own business. The treasurer doesn't try to tell the vice president in charge of production how to set up an assembly line, the vice president in charge of production has no "suggestions" for the sales manager as to wholesalers' franchises; and the sales manager refrains from advising the treasurer as to how to raise new capital—unless he's asked, which he isn't.

### Problems overlap department

THIS has its obvious benefits, of course. But, in conforming to tradition in this respect, sales managers can make a peck of trouble for themselves these days, because times have changed, and decisions which were once properly the exclusive responsibility of the treasury department now directly affect the success of the entire sales and merchandising operation.

Even today, one of these decisions—the setting of depreciation rates on productive equipment—is generally regarded as lying wholly within the

domain of the treasurer. Yet I venture to say that no other single decision made by the management has a more vital bearing upon sales volume.

This is a pretty broad assertion, but I believe its soundness can be amply demonstrated.

In the first place, the fickleness of consumption has now reached the point where a manufacturer may wake up almost any morning to find that his market has left him, diverted into other channels either by the blandishments of a competitor, or by a sudden self-motivated shift in consumer demand. With a major upswing in business now well under way, consumer markets are held more precariously than ever, because there is a direct relationship between increases in income and changes in demand.

This is natural enough. At low income levels, necessity obviously controls the consumer's purchases; and, so long as it does, they are, in the mass, quite predictable, for necessities by their nature stay put.

But when John Smith's income increases to the point where only a portion of it is required for necessiAN unorthodox word of advice to sales-managers who face the task of trying to satisfy a consuming public that is rapidly becoming more and more fickle

ties, Mrs. Smith can spend the surplus for whatever she pleases.

And the larger this surplus is, the more difficult it is to predict what she will do with it, because, on these levels, her desires are merely states of mind, which may, and do, change easily.

There is nothing new in this, of course. Engel demonstrated many years ago that, as income increases, the proportion spent for necessities tends to decline, while the proportion spent for non-essentials increases. But recent studies have illuminated Engel's generalizations with more specific information on the precise nature of this relationship. One economist, for example, has shown that, in the years before the World War, from 70 per cent to 80 per cent of American consumers' expenditures were of the stable or dependable variety. During the post-war boom, these dropped to somewhere between 60 per cent and 65 per cent. The percentage difference seems slight, perhaps, but it takes on real weight when it is translated into dollars.

#### Spending their surplus

CONSUMERS' outgo in 1929, for example, was about \$89,000,000,000. If from 60 per cent to 65 per cent of this was required for purchases of a relatively stable variety, the remainder—or about \$33,500,000,000 was available for the purchase of optional goods and services. This amount equals the total of consumers' outgo in 1914, but in 1929 it was only Mr. and Mrs. John Smith's surplus, which they could, and did, spend in any way that fancy dictated.

This, then, was one of the factors

### CONTROL RISING COSTS

OF PAYROLL ACCOUNTING



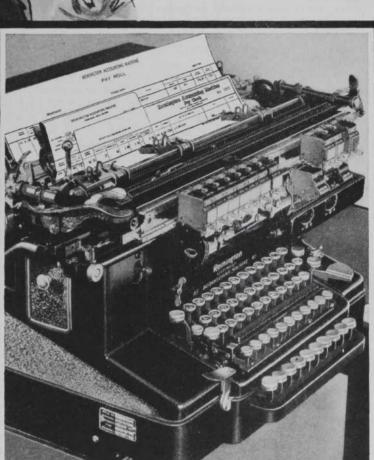
Increase Employee Goodwill ... No mistakes in Pay Checks!

Social security and other new payroll deductions have increased your accounting costs. Here's a way you can not only cut costs but at the same time insure utmost accuracy in pay checks and provide an itemized record of deductions—a valuable goodwill asset in any organization!

The completely electrified Remington Rand "85" prepares pay check (or pay envelope), deduction record, employee's wage record and payroll journal simultaneously. You save time by posting all four records at once and get automatic mechanical proof that figures are correct.

Hundreds of companies use the speedy Model "85" for payrolls and other accounting applications, including accounts payable, accounts receivable and sales and expense distribution. Get the facts today about the savings you, too, can make. Phone Remington Rand in your city, or write Remington Rand Inc., Buffalo, N. Y.

OK. it's from Remington Rand



### ONLY THE REMINGTON RAND "85" GIVES YOU ALL THESE 9 FEATURES

- 1 Complete electrification of all alphabet and numeral keys, and of carriage.
- 2 Complete flexibility of registers, providing extra accumulations without rebuilding or replacing machine. Additional registers limited only by length of carriage.
- 3 All registers visible for columnar accumulation and cross-computation. All registers equipped with direct subtraction, providing contra-entries within specific column, and instant correction of errors.
- 4 Completely electrified automatic tabulation from column to column.

5 Complete visibility of writing line, permitting easy checking of every entry.

THIS REMINGTON RAND

MACHINE GUARANTEES

ACCURATE PAY CHECKS

cuts costs 4 ways . . .

- 6 Automatic line proof of each individual entry provides instant audit.
- 7 Independent control of each related form to be prepared simultaneously.
- 8 Uniform legibility of all records.
- 9 Made by Remington Rand Inc., Buffalo, N. Y., the only single manufacturer who can supply complete accounting systems, equipment and assume complete responsibility.

that made consumption so fickle in 1929, and which is rapidly coming into play again as we approach the income levels of that year. When we rise above those levels—as there is reason to believe we shall—the instability of consumer markets will be markedly increased.

As if sales managers didn't already have enough to worry about, two powerful additional forces now combine against them, both of which tend to speed up the changes in consumers' desires.

The first of these is applied research, which has multiplied enormously both the number and the variety of industry's offerings. And the amount of research itself is rapidly increasing.

Today, more than 40,000 persons are working in about 2,000 industrial research laboratories, and annual expenditures for this work exceed \$250,000,000.

Moreover, modern methods of communication have tremendously increased the pressure that can be brought to bear upon the consumer.

Consequently, the Mrs. John Smiths of the country not only have, in the aggregate, a stupendous sum to spend as they please, but their fancies and their decisions are both being stimulated to a much greater extent than ever before.

### Production is harder to change

ALL this would not present such a problem to manufacturers and their sales managers if they could match the inconstancy of consumer demand with a parallel flexibility of production. But this is not the case. While increased incomes, research, and advertising are all operating to increase the fickleness of consumption, other forces are at work in industry making production facilities increasingly rigid, and progressively less adjustable to the changes of Mrs. Smith's mind.

One of these forces is the practically universal adoption of mass production methods. The specialization which characterizes these methods equips the manufacturer to do one thing well, and economically, but he has to sacrifice his adaptability in the process.

New dies, jigs, and tools may be required to make even the simplest change in his products.

Furthermore, large investments of time and money are required to bring a modern industrial organization to the point where it can produce even one gadget.

This investment puts the manufacturer into a financial straitjacket which handicaps him seriously in his efforts to court a coquettish market. The only escape is to be found

in properly established depreciation rates and, before these can be sold to the management, it is usually necessary for the sales manager to take an active and vigorous part in the proceedings.

The primary resistance to his ideas, of course, is found in the management's perfectly natural desire to protect fixed investment. To give Mrs. Smith what she wants every time she changes her mind seems like an unnecessary luxury. That is, expensive new machinery has to be bought and old equipment is thus rendered obsolete.

### Saving money and losing business

FACED by this situation, the management typically decides to make only such changes in policies or products as can be effected without spending any important amounts of money. The same decision is made next year, and the next.

After a number of years of this, the company gets so completely out of touch with its market that it is forced out of business. The investment it sought to protect has become a total loss.

Now let us imagine a company in which the sales point of view has permeated the entire organization. Let us suppose it decides to do its best to give Mrs. Smith exactly what she wants, no matter how often she changes her mind.

Indeed, it goes further; it decides to anticipate Mrs. Smith so far as possible by constantly offering her new products or designs of the type she seems to favor. Accordingly, new machinery is bought and part of the old is junked.

At the end of the year, although sales have been good, the president can report only scanty profits. Direct manufacturing costs were too high. Moreover, the treasurer saw what happened to the old equipment and gave depreciation rates a real boost. Nevertheless, the management is convinced it is on the right track, so the same policy is followed the next year, and the next.

#### New equipment when needed

WHAT is the result? The company's products find a ready market, and sales are maintained at a high level. Production equipment is rejuvenated annually; cash reserves on hand are ample to pay for all new equipment that may be needed, and the business as a whole is in a liquid, flexible condition.

The transformation has been brought about by one simple idea:

Fixed investments were quickly liquidated by setting a realistic, rather than a traditional, depreciation

rate. The real inroads of market obsolescence were recognized and paid for as they occurred.

That is what every sales manager must try to impress upon the financial management of his company if he hopes to make its prosperity reasonably durable. He must persuade his treasurer to abandon the present, common assumption that the market for the company's products will last as long as the machinery that is used to make them.

He must be brought to recognize that the greatest danger any manufacturer faces today is the danger of losing his market. If he wants to insure the perpetuation of the business, he must take care of real obsolescence requirements before profits and before dividends.

The need for so doing should be more generally recognized. Casualties from market obsolescence lie all about us.

There are whole industries today with advanced cases of market obsolescence. Our railroads are a conspicuous example. They were operated as a transportation monopoly for so many years that they lost the stimulus — even the conception — of competition. They forgot that the value of their investment depended entirely upon a market that might some day desert them. Then the motor car came along and, in a relatively short time, won a large share of the business.

#### Obsolescence changes markets

ANOTHER victim of market obsolescence is found in the textile industry, both here and in England. The English have lost their cherished Indian markets, and we have lost the Philippine and South American markets. The Japanese have won them all, largely through more efficient productive equipment. For many years both English and American textile mills were unable or unwilling to adjust themselves to changing market demands.

They made insufficient allowance for market obsolescence, and were not in a liquid condition when the test came.

Our textile mills are now striving to recover lost ground. Last year they scrapped more spindles than in any other year in their history.

These are only a few conspicuous examples of casualties from market obsolescence. Many individual businesses have vanished practically overnight. Automobile trunks were practically wiped out of existence in one season when automobile manufacturers decided to build trunk compartments into cars. Television already threatens to force many fundamental changes in present broadcasting

# - here's a new word in ultilithing

... the name of a new and different method for production of business forms, communications and literature in your own office

Multilithing is a new office method for any business or organization. Do not confuse it with any other you may have known.

It is different because it offers a far greater opportunity to save on costs . . . different because it does quality work which is up to your standards . . . different because it is more versatile . . . different because it is easier to use.

From quickly-prepared bulletins, hand written or typed, to illustrated advertising, in one or more colors . . . or from simple forms to those more complicated . . . or from memo sheets to fine stationery . . . Multilithing does the job as you want it, when you want it, and at a big saving.

Samples of Multilithing, with complete information concerning this new method, will be sent on request if you write on business stationery. Ask for new brochure —Facts About Multilithing.

Multilith is a new development by the makers of Multigraph...and Set-O-Type, Compotype and Noiseless Folding Machines... used all over the world for more than thirty-five years. All machines are sold on convenient terms.

### ADDRESSOGRAPH-MULTIGRAPH CORPORATION

CLEVELAND, OHIO

Addressograph-Multigraph of Canada, Ltd., Toronto . Sales Agencies in all Principal Cities

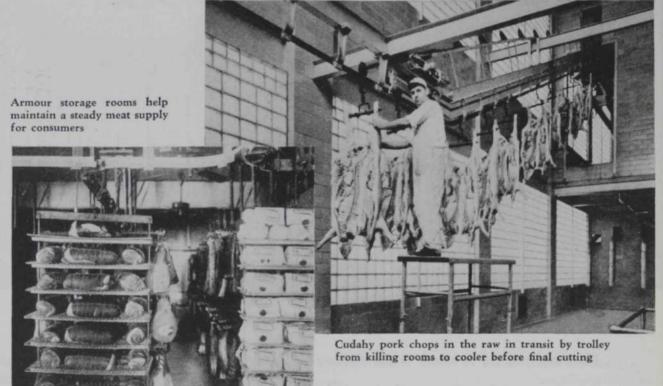
methods and organizations, although the entire industry is scarcely 15 years old. Amazing new uses for paper, glass, plastics, artificial fibers, and alloys are now being developed so rapidly, and are striking in such unexpected places, that it is almost literally true that no manufacturer can be sure of his market even a year ahead. Mrs. Smith shops assiduously, and a large percentage of her purchases spells some part of a death

sentence for the manufacturer who believes that his equipment is good as long as it works.

A general and substantial increase in obsolescence rates should have a marked and extremely beneficial effect upon the business of any manufacturer. Its tendency would be to preserve for him the vigor and energy characteristic of young businesses. It should help him to retain indefinitely the flexibility of youth, for instead of

being constrained to resist growth and change, he would develop the habit of keeping up with, or ahead of, his market. And if he did that, sales managers would have an easier time. But they can't expect this day to dawn in their respective organizations so long as they mind their own business; they'll have to take an active and aggressive part in the setting of depreciation rates within their own companies.

### Meat Industry Spreads Out



NCREASING live stock population in South and East is encouraging the large packing companies to acquire branch plants in those areas.

This movement adds another phase to decentralization tendency shown by the industry. First step resulted from improved roads in Middle West and consequent live stock marketing by truck which aided smaller and independent packers.

However, large centers such as Chicago and Kansas City continue to show increased slaughtering activities.

Among new plants in southeastern area is Cudahy's new plant at Albany, Ga. (upper right), with a capacity of 1,000 cattle, 7,000 hogs, 350 sheep and 350 calves a week. New plant is notable for its glass masonry.

Armour and Company recently purchased the Reading, Pa., Abbatoirs with an annual capacity of 50,000 hogs and 10,000 cattle in order to be near center of an important consuming area.

Swift and Company are building a \$750,000 refinery as the first unit of a new plant in Newark, N. J. Edible oils, fats and shortenings will be produced there. New plant will add another laboratory to the present group of 15 maintained in company branches by the chemical research department.



Swift's kitchen chemists bake pies and cakes while seeking new ways to use their own products



### "Punched cards provide valuable employment data—in addition to SOCIAL SECURITY records"

A WIDE VARIETY of valuable employment records and statistics are quickly obtained with punched cards and International Electric Bookkeeping and Accounting Machines.

In addition to payroll and Social Security Deductions, this modern machine method will provide such information as Average, High and Low Rates in Occupational Groups, Seniority Records, Employment Turnover, Age and Educational Statistics and many other important documents.

Punched cards are a permanent and quickly available record. They are a live record—capable of providing automatically printed and tabulated information when it is needed.

Investigate the advantages of punched card accounting today. Find out how it can bring maximum information in minimum time. Your nearest International Business Machines Representative will be pleased to give you detailed information and close cooperation.

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International Electric Bookkeeping and Accounting Machines compute and print automatically such information as: Hours Worked, Gross Earnings, State Unemployment Compensation Deductions, Federal Old Age Benefit Deductions, Net Amounts Payable.

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BRANCH OFFICES IN PRINCIPAL CITIES OF THE WORLD



# Plant Your Business Effort in TEXAS ... a growing market

TEXAS is prosperous. Last year farm income, including live stock, exceeded \$619,000,000.

The corn crop was valued at \$53,000,000; wheat, \$18,000,000; grain sorghum, \$25,000,000; cotton, \$217,000,000; oats, \$8,500,000; rice, \$8,800,000; vegetables, fruits and nuts, over \$33,000,000; other miscellaneous crops brought comfortable incomes to thousands of Texas farmers.

Its size, diverse climate and wide variety of soil types make Texas a leading agricultural State—with only ¾ of its tillable acreage under cultivation! Here in Texas is the farming frontier of America... millions of acres yet to be cultivated... millions of dollars to be wrested from rich Texas soil.

But agriculture is not the only big Texas industry by any means. The value of Texas mineral production, including oil and natural

gas, totaled approximately \$580,000,000 last year, livestock industries brought \$235,000,000; the Texas lumber industry annually turns out products valued between \$40,000,000 and \$45,000,000.

Texas has made great strides during the past few years but the real development has

only begun. Manufacturers in search of new outlets, sales managers trying for increased sales, distributors desirous of speeding up deliveries and reducing transportation costs are turning to Texas, for here is a lively, growing market where sales efforts are bringing bumper crops of profits.

Good transportation facilities are necessary to the growth of any territory and the Katy is proud of the important part it is playing in the development of the Southwest. The Katy serves this section of the country with fast, convenient, dependable and thoroughly modern passenger and freight trains, linking principal Texas cities with Northern and Eastern metropolitan centers.

As part of its progressive and construc-

tive policy the Katy maintains an Industrial Department which will supply definite information about opportunities in Texas. All inquiries are handled in strict confidence. Write the Industrial Development Department, Missouri-Kansas-Texas Lines, St.Louis, Mo. or Dallas, Texas.



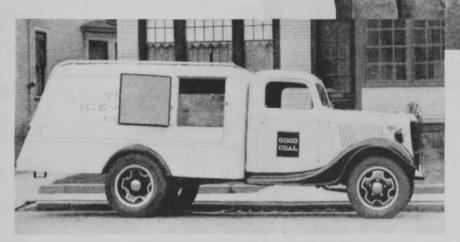
### The Ice Industry Gets Hot

### By MARVIN SCHULENBURG

NE of the country's oldest lines of business, the ice industry, is now in the third year of a campaign to modernize equipment and personnel a campaign which brought the industry out of a serious hole without the aid of government help, saved jobs for more than one-half million employees, and in 1936 brought a 100 per cent increase in the sale of ice refrigerators over 1932, with an output of 40,000,000 tons of ice. An advertising campaign involving an expenditure of \$2,000,000 has just been completed.

But, just a few years ago no industry in the United States had as many serious problems to solve as did this

In 1924, approximately 1,500,000



Uniformed service men, dripless canvas delivery bags and handsome trucks are a part of the modernization of ice

ice boxes were sold and business was still on the upgrade. The industry, with a complete monopoly of domestic and commercial refrigeration, relaxed. If the customer did not like the service he could do without.

About this time the ice industry tried for two years to obtain \$200,000 for a national advertising campaign and failed. Technical research was

When electrical competition was introduced, the ice companies did raise a modest sum for a national campaign. But, in spite of competition, ice sales kept mounting. So the advertising campaign was allowed to die out.

Then came the depression. For a time the decrease in business was justly attributed to bad times but, when business in general improved, ice kept falling off.

From the top sales figure of 1924, the sale of ice boxes during the depression had dropped to an all-time low of 225,000 units.

Ice executives began to realize that, so long as they spent all of their time freezing and selling cakes of ice, they were not meeting their real problems. The basic consumer trying problem. When it began its

request was for a scientific, modern refrigeration service.

Then an amazing story unfolded itself as the industry paused, thought out the situation, carefully planned a campaign, and emerged in a stronger competitive position than ever before.

Engineering and laboratory technicians went to work. Nothing was ever wrong with ice itself, the difficulty rested with the type of container used. The old ice-box was not scientifically constructed, could not use its load of ice to maximum efficiency. Experts soon discovered this. They bluntly informed ice manufacturers that. above all, they needed a modern ice refrigerator.

Refrigerator manufacturers spent nearly \$1,000,000 in perfecting new types of modern air conditioned ice refrigerators. Ice companies themselves, for the first time, began selling these new units.

The fiscal year, which ended October 1, 1936, revealed an increase of 38 per cent in the sale of ice refrigerators over the preceding year, and when refrigerator manufacturers, after spending an additional \$500,000 in redesigning their 1937 models, displayed their new products at the national convention in New York, ice companies placed more orders for refrigerators than ever be-

#### Ice men became salesmen

BUT one of the most important points in this reconstruction campaign lies in the employee phase, once entirely overlooked. Making salesmen of service men plays a big part in the industry's plan. The record of a southern ice company is a specific example.

This company, which last year sold 2,500 ice refrigerators, had a

### MOVING EARTH



### OR BOTTLING MILK-

Diesel

POWER
DOES IT CHEAPER!



EARTH to be moved or milk to be bottled—fields to be plowed or grain to be ground—wherever there's a job that calls for stationary or portable power, there's a chance of cutting its cost with the record-breaking, heavy-duty "Caterpillar" Diesel Engine. This simplified herald of "The Diesel Age" slashes the cost of older forms of power by half or more, performs with a reliability and stamina that have created a whole new set of power standards.

A dealer can show you performance records that the "Caterpillar" Diesel Engine has made in power applications similar to yours. See him—or mail the coupon below for particulars.



TERRACING TO SAVE THE SOIL. This "Caterpillar" Diesel Tractor and "Caterpillar" Terracer are preventing costly soil erosion and preserving moisture through the construction of scientifically designed terraces. This equipment works on 12 cents' worth of fuel an hour—a low cost that brings terracing within the reach of most farms, and proves why 70% of power terracing is now done with "Caterpillar" Diesel Power.

### CATERPILLAR DIESEL POWER



CATERPILLAR TRACTOR CO., PEORIA, ILLINOIS WORLD'S LARGEST MANUFACTURER OF DIESEL ENGINES, TRACK-TYPE TRACTORS AND ROAD MACHINERY CATERPILLAR TRACTOR CO., Dept. NB-7, Peoria, III., U.S.A.

Gentlemen:

Please send me information on "Caterpillar"

☐ DIESEL ENGINES ☐ TRACTORS ☐ ROAD MACHINERY

I need power for



"So you're going to Virginia!"

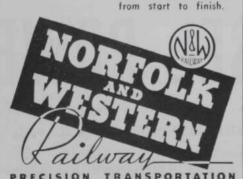
A visit to this charming, hospitable playground by the sea means fun, excitement, rest, relaxation: golf, tennis, dancing, sailing, fishing, surf-bathing, good health and rested nerves. It means thrilling days, sea-spiced air, broad shining sands, white-capped waves, and health-giving water that will lift your spirits and wash cares away.

Life at the Virginia Seashore is just what you yourself want it to be. A vacation here combines

most of the pleasures you have ever known and new ones you never dreamed of.

Luxurious hotels, comfortable inns, cottages by the sea — you will be surprised that so pleasant a vacation can be enjoyed at such a moderate cost.

Let us help you plan your vacation. We will be glad to suggest the best service from your city, to make reservations for you, or to send you information on rates and routes. The railway's Passenger Traffic Department representatives will help plan your trip



employee training program in 1931, no practical program for ice company employees had been developed. What is more, the company's 110 colored drivers constituted a sizeable portion of the service staff.

Experienced sales managers of other companies said it would be impossible for colored ice service men to learn ice refrigerator principles well enough to do a selling job. So the company attempted to sell the ice refrigerators through two direct sales organizations.

That method failed. Then the employee work began.

#### A sales course for drivers

WHITE and colored drivers were divided into two groups and put through a comprehensive instruction course. Since the ice refrigeration story—constant cold, balanced moisture, circulating air—had not been fully developed, the company had to work out its own course. The fact that, last year, 95 per cent of the colored drivers earned commissions for the sale of refrigerators indicates that it succeeded.

Under the company's set-up, half of the commission paid on sales goes to the employee who puts the ice refrigerator in the home on trial and half to the employee closing the sale. Monthly sales contests keep up the interest.

Now some 4,000 ice companies are using the free home demonstration idea. Currently 90 per cent of ice refrigerators are sold on this plan.

In general, the old time ice man has been made over into a trim, uniformed service man who carries his ice in a neat, drip-proof canvas bag. In one section of California, the housewife sometimes does not see the ice service men for weeks, even though they make their regular stops once every four to seven days.

The typical service man here carries a key to every house on his route. He lets himself into kitchen or hall, services the ice refrigerator and rings for the housewife only when another coupon book must be purchased.

It seems, then, that the ice industry of America has not only streamlined its ice refrigerator but has also streamlined itself. The next step is to open up new markets and here much progress has already been made.

The introduction of "sized" ice, or ice cut to consumer demand, is developing into one of the big points in the program.

Recently a new automatic ice cuber has been invented with a capacity ranging between 17,000 and 20,000 ice cubes an hour.

Now, also, comes manufactured snow, a boon to the ski industry. A recent development, this factory snow is kept on hand at big ski meets, just in case the natural flakes fail to fall.

It is guaranteed "skiable" and is available in volume. The snow is manufactured by crushing ice and applying air pressure to turn it flaky. The product is blown into freight cars by air pressure. For inside events that require snow, trucks equipped with ice crushers and blowers—plus a load of cake ice—are driven to the arena and the snow deposited on the spot.

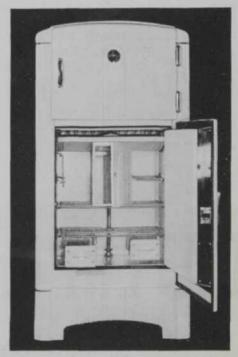
For refrigerating fresh vegetables for long freight hauls, crushed ice is blown in on top of the baskets, filling every crevice with finely crushed ice and reaching to the top of the car.

### Advertising brought results

LAST year the industry spent \$1,000,000 in advertising and sales figures proved that the campaign paid. Equally important, however, was the fact that the advertising campaign did much to crystallize constructive thinking among ice representatives.

This year's program was more ambitious. Approximately \$2,000,000 was spent in local and national advertising. The campaign specified advertising through newspapers, magazines, and radio; educational work through home economists, home service workers and county demonstration agents; laboratory research and technical developments.

Once more ice companies are hot after business.



Manufacturers spent some \$1,-000,000 developing better boxes

### When you build for profit build with CONCRETE After all, the primary purpose of any structure is to pay a return with the frame and floors. The resulting economies are greatly on its investment over a period increased by savings in upkeep. of years. Concrete fits the picture Your architect or engineer because it is "profit minded." Its architectural distinction is a plus can tell you how this moneysaving technique may be applied to the building you have in mind. Or write for the interestvalue for which you pay nothing. Modern methods of concrete ing booklet, "Beauty in Walls of Architectural Concrete." construction permit walls and ornament to be cast integrally PORTLAND CEMENT ASSOCIATION Dept. 8-44, 33 West Grand Avenue, Chicago, III. A national organization of engineers and scientists working in laboratory and field to improve and extend the uses of concrete. United Parcel Service delivers packages for stores in greater New York, and also has a large business on the Pacific Coast and in other cities. They built this concrete Central Delivery Station at Los Angeles. Abbott, Merkt & Co., Inc., of New York were engineers and architects. Mr. Abbott wrote us, "This building is as nearly 100% concrete construction as we know how to design. The structural frame is flat slab reinforced concrete. The floor surfaces and entire exterior walls are concrete." Architectural Concrete

# Your Tool Clerk could give you lessons in money management



• Ever stop to think just how you would raise a family on \$28 a week? Give the problem a little thought. You'll quickly realize that they perform marvels of money management—those millions of thrifty workers who carry on with modest weekly incomes. Their homes are comfortable, their children well fed and neatly clothed. They have learned through necessity to handle their money with a skill which many executives with big incomes might well envy.

But when misfortune strikes—a long lay-off, major illness, an accident—the family's meager reserves soon disappear. What then? How is the family to keep solvent?

At such times a Household Finance loan can tide the family over. Without sacrifice of pride or privacy responsible families can borrow at Household the funds they need to meet an emergency or get a fresh start. In 1936 Household acted as "Doctor of Family Finances" to more than a half a million families.

#### Send for Free booklets

As an employer or supervisor of employes you will be interested in the full story of this lending service for families without the wherewithal to borrow at commercial banks. We will gladly send you booklets and full information on Household Finance's family reconstruction service. You will gain a new understanding of today's small loan business and the function it performs in modern industrial society. You will incur no obligation whatever.

### HOUSEHOLD FINANCE

**CORPORATION** and Subsidiaries

"Doctor of Family Finances"
one of the leading family finance organizations,
with 228 offices in 148 cities

HOUSEHOLD	FINANCE	CORPORAT	ION,	Dept.	NB-8
919 N. Mich	igan Ave	., Chicago,	III.		

Please ma	il me witho	opii opii	gation full infor	mation on
Household	Finance's	family	reconstruction	program.

Name	
Address	
City	State

### Shopping Makes Me Mad

(Continued from page 46)

I waited ten minutes by my watch. Then I allowed myself to act as I felt. I marched down upon those three women and in my most biting accents I inquired-with no great originality, I fear-what a person had to do around there to receive attention. I told them I had waited ten minutes and had not even been informed that someone would be with me as soon as free from other duties. I askedalas again for novelty of expression -whether any one of them could spare a moment from her social enjoyments to wait upon a customer who actually wanted to make a pur-

The thing about which I am lamenting here is that, after putting on a scene of ill-temper which still makes me blush in the darkness of the night, I received the sort of treatment the Dowager Queen Mary must be accorded by Bond Street jewelers. They apologized—they explained that one of them was a store shopper and that they really had been discussing a matter of business-they told me how sorry they were I had been neglected and assured me that it would never happen again. I made my purchase and was bowed out with anxious smiles-but how did I feel?

I still felt mad. For it seemed to me that store that saved its best manners for angry customers was beginning at the wrong end. If one of those women had come to me earlier and said they were engaged, but would see that I was waited upon shortly, I should have waited in patience. But literally to have been forced to put on a temperamental scene to purchase what I wanted to purchase was both humiliating and infuriating.

I've never gone back to that department. It's still haunted by the ghost of me at my worst.

It is to be hoped that I am not giving the impression that I sail through the shopping district leaving devastation and ruin in my wake. As a matter of fact, I have found a partial solution and a good one. In certain stores and departments, I know a dozen or more girls and women who are ideal saleswomen. Some of them have taken care of me for years. I can order all my hose from one by telephone, for instance, and trust her never to make an error. She knows my size, she asks the weight desired and needs to know only with what color or colors the hose are to be worn. I have never had to return or exchange a pair ordered from her, yet I seldom see her face to face.

I have another jewel-an elderly woman-in the millinery department of another store. She is a genius. I need pause only long enough to ask if she has anything for me. If she says no, I know she hasn't. She has an uncanny instinct for knowing not only what kind of hats I like to wear. but what kind of hats I can wear without losing my husband. When she approaches me, hat in hand, I know I have a new hat. Sometimes I have bought three at a time from her and loved every one of them as long as it held together. When she says she hasn't a thing for me this time, I go on my way without wasting any more of her time or my own. A woman like that should be receiving the same salary as the general manager, but she probably isn't.

### Serving the customer

THE only cosmetic saleswoman in town I can talk to without losing my temper is a youngster who never yet has "raved" about any of the products she has sold me. Instead of insisting that I'll love so-and-so's new shade of rouge, she sells me a box that she "thinks" I'll like. I invariably do, because she knows not only my taste but her merchandise, and which of its thousands of items are particularly well adapted to my appearance and needs. Innumerable times, she has given me a small sample-sized box of some article she wants me to try before buying, and of which I ever after have been a devotee.

She is smart enough not to be interested in selling me a dollar lipstick today unless she can be sure I'll be so pleased with it that I shall continue to buy all my lipsticks from her. In fact, she's so smart that she was promoted the other day to assistant buyer and will undoubtedly go much further before she is much older.

But, in spite of a few such associations, I still find shopping a dreaded and unwelcome task because I cannot have a personal acquaintance in every department of every store in town and I occasionally must seek some article in a new and unexplored territory. And when I do, I can be sure that I have only a one-in-ten chance of making a purchase without having some haughty salesgirl:

Try to sell me something I don't want in place of something for which I ask. Inform me more or less directly that I obviously know nothing whatever about good taste or values.

Bear my intrusion into her domain with the fortitude and resigned patience an exiled princess probably displays in the presence of the vulgar peasantry.



Walnuts are grown commercially in 45 of California's 58 counties

### WALNUTS

### Sprung from Persia; Scattered by England; Raised in California

This month our story is of English walnuts—or CALIFORNIA walnuts, if you please. Why? Because, today, 95% of all the so-called English walnuts consumed in this country come from California • For generations those big, deeply marked shells, with their delicious meats, have been called English walnuts for little more reason than that long ago English ships carried the walnut seedlings of Persia to a hungry world . The California walnut tree is beautiful, long-lived, productive. The groves average 14 acres, 20 mature trees to the acre, 60 pounds of marketable walnuts to the tree . The main harvest is between September 1st and November 7th. The nuts fall, are picked up; then sun-dried, or dehydrated, to insure stable weight, prevent molding . In the packing house they are tested for immature kernels; appraised by inspectors; bleached to remove all dirt or stain; graded in revolving, perforated drums; sampled; sacked for storage, or shipment by freight to the waiting nut and fruit bowls of America, Canada, Mexico • These are the walnuts we crack for ourselves. But millions of pounds of shelled "meats" are demanded by the housewife, baker, confectioner. Scientifically, machines crack the shells. The sorted kernels are cleaned on vibrating screens, by rotating brushes and air currents; packed in fibreboard containers, or rubber-gasketed vacuum cans that insure freshness in any climate, for any period . The next California walnut you eat, in whatever form, may well have ridden the Santa Fe, for always the crop goes to market by rail.



"Dusting" a grove in this dramatic manner is an effective means of insect pest control

At harvest time these busks crack open, the



Walnuts are both a wholesome food and a real delicacy. They are beneficial to teeth and digestion. We know them best, perhaps, in the shell, or in candies and cakes. But each year culinary experts find new and delightful uses for the chopped, grated or unbroken kernels—in salads and soups, in puddings, bread and dressings, with fruits and vegetables and breakfast cereals • This year California will harvest its greatest and finest walnut crop—over 111,000,000 pounds.

Lower left—A huge cold storage room bolding 17 million pounds of walnuts. Lower right—A model shelling plant, immaculately clean and sanitary





### When Nature Lacks Color-



### **OUTDOOR ADVERTISING SUPPLIES IT**

Your graphic, colorful outdoor advertising message merits attention now when all the world is green and colorful. It will win even more attention when winter comes and nature lacks color, for then outdoor advertising supplies color in sales messages with an irresistible appeal to the passing throng. Now is the time to plan outdoor advertising for January as you planned for May . . . because this great outdoor medium, like "the great outdoors" itself, beckons to people all year round!

Write for our interesting booklet, "You Will Love Me in December," describing the modern trend in outdoor advertising.

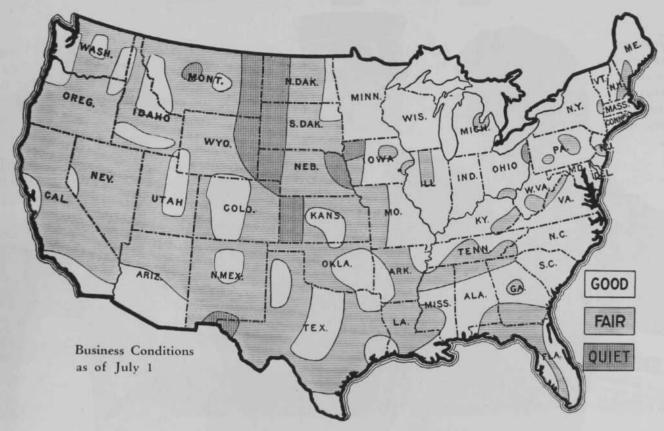
### OUTDOOR ADVERT LANGINCORPORATED

60 EAST 42nd STREET-NEW YORK

ATLANTA • BALTIMORE • BOSTON • CHICAGO • CLEVELAND • DETROIT • HOUSTON
PHILADELPHIA • ST. LOUIS • LOS ANGELES • SAN FRANCISCO

### The Map of the Nation's Business

By FRANK GREENE

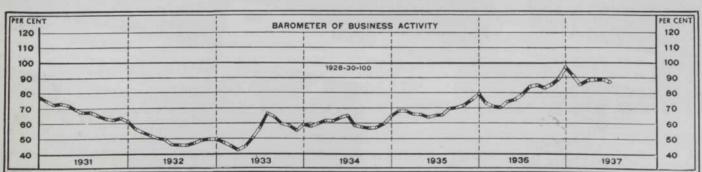


JUNE was a rather disturbed month in some industrial areas, northern Ohio, Indiana, parts of Michigan, and west Pennsylvania. The strikes in the independent steel mills, begun late in May, involved one-sixth of the country's producing capacity. Strikes of transport workers interfered with loading and departure of vessels. Estimates placed the number of strikers at about 100,000. This was reflected in a drop in car loadings and bank clearings, the latter being the first decrease in a year. Failures, however, were fewest since September and liabilities the smallest for more than five years. The stock market was quieter but showed underlying strength and rallied easily.

The crop situation apparently held all its earlier promise. Record-breaking receipts of new wheat were recorded in the Southwest in June.

Use of electric light and power rose to new all-time highs. Wholesale trade increased but retail trade slackened somewhat. Commodity prices, after several months' decline, turned upward. Despite widespread labor disturbances and the normally seasonally lower trend, the June decline from the recent high level was only moderate

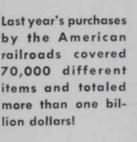




BASED ON INFORMATION SUPPLIED BY DUN & BRADSTREET, INC.

The Barometer chart line for June shows a strikingly small downturn, and continues well above the level prevailing a year ago

# Map up a billion



### DO YOU KNOW

-that the railroad purchases for 1936 represent an expenditure equal to \$36 for every jamily in the United States?

-ihat, in addition, the employes of the American railvoads spend another billion and a half dollars a year for the needs of their families?

that no other industry buys

ond uses such a tremendous
variety of supplies — more
variety of supplies kinds
than 70,000 separate
and sizes of things?

and sixes of things,

-that over the past 14 years
the railroads used more iron
and steel than any other inand steel than any other total
dustry-18,7% of the total
U.S. production?

that they own and must keep up some 370,000 buildings, from watchmen's "shanings, from watchmen's to huge, modern terities" to huge, modern tering and nearly 200,000 bridges that must be maintained to carry the thundering traffic of the trains?

Every year the railroads use One-fifth of all the timber cut

STATE OF BUILDING

Every year the railroads use More steel than any other industry Every year the railroads use
More than one-fifth of all coal and fuel of

# alls wort

HERE'S a big story in the stupendous shopping list of the world's finest transportation system . . . a yearly bill of goods so huge it makes the American railroads one of the largest and steadiest customers the people of this country have.

This star customer buys in practically every manufacturing city and agricultural county throughout the land - enormous orders of almost everything we as a nation produce.

Imagine, for instance, what it takes to cook and serve twenty-five million meals-meals remembered among the finest a traveler anywhere eats.

Consider the single item of choice meats-more than fifteen million pounds! Or eggs-two million dozen! Or potatoes-nine million pounds of them, purchased by the railroads every year.

Bread and butter? Thirty million crisp rollsthirty-five million slices of new bread-two million pounds of butter.

And, just to touch on desserts, enough ice cream to treat every child in the country, in the first, second and third grades, with a nice big ice cream cone!

But even the whole great grocery bill, fabulous as the figures are, is only a minor part of what the railroads need and buy.

Last year they bought more than \$800,000,000 worth of fuel, materials and supplies for their operations. And put another \$300,000,000 into new equipment and improved facilities.

Altogether these purchases were more than one

billion dollars in 1936! That was one-third greater than total railroad buying the year before; almost twice as great as in 1933.

It is plain that such huge-scale buying benefits business in general and, directly or indirectly, the whole country. But that is only incidental to the really big benefit the railroads give America: the transportation upon which American agriculture and business are basedalways safe, swift, dependable.

These are interesting figures to everyone in America. For the benefits of this buying spread into almost every county of the land. As the railroads go ahead, business goes ahead.

The railroads have been doing a good job. To do a better job, all they ask is a fair opportunity to get business-and handle business-on an equal basis with other forms of transportation. That's fair to all.

### **VACATION THIS SUMMER BY TRAIN**

Rates are low-Safety, Speed and Comfort greater than ever before!

No other transportation in the world can match the American railroads for speed with safety. And every modern convenience contributes to your comfort when you go by rail. Practically all through trains are air-conditionedcleaner, quieter, healthier. You have modern lighting, excellent food, restful seats, comfortable beds, plenty of room to move around, and you get there on schedule. Yet with all the improvements railroads offer today, fares have been steadily lowered both in coaches and Pullmans.

> SAFETY FIRSTfriendliness too!

> > Every year the railroads use

730 tons of pins and clips

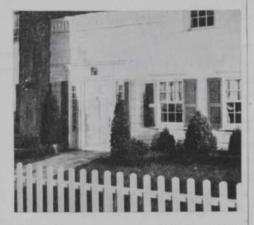
Every year the railroads use 65 million rolls and slices of bread

Everyyear the railroads us Two million dozen eggs

WASHINGTON.

### PAINT

There's no place like home . . . a model home.



Throughout our great, wide, beautiful land, hammer and saw pound and whine. Up go homes for rich and poor. Big houses, small houses, medium-sized houses. There seems no end. And-like cities on a mapmodel houses stand out, pointing the way to better building, better decorating, greater efficiency, greater comfort.

All America flocks to these models that speak the last word in housing-Wanamaker's Cape Cod Cottage in Philadelphia; House & Garden's Ideal House in West-chester County, N. Y.; Ladies' Home Journal's Cape Cod Cottage; House Beautiful's Bride's Houses; McCall's Homes of the Month in Springfield, Ill., and in Eggertsville, N. Y.; houses at Cleveland's Great Lakes Exposition, at the Texas Centennial; and more and more. Everywhere. And these leading model homes boast Sherwin-Williams Paints.

Right in the top rank is the Cape Cod House, 6th Floor, John Wanamaker's, Philadelphia—pictured above. Opening day, 12,000 people trod its floors, admired it from flagged walk and white picket fence to quaint Colonial bedrooms, woven rugs, tufted spreads. Month and a half later, counters at the door were checking attendance well past the 160,000 mark. A just tribute to its excellence-and to the beauty of its Sherwin-Williams Paints.

Outside-famous old SWP House Paint, dazzling white with dark green shutters attracts all eyes. Inside-from floor to ceiling, room by room, always an S-W finish forms the perfect background for charming Early American furnishings.

Maybe your interest is houses . . . maybe it's packages . . . maybe it's trains . . . maybe it's any of ten thousand things. Whatever it is-so far as finishing goesyou'll find that "All You Need to Know about Paint is Sherwin-Williams." Write The Sherwin - Williams Co., Cleveland, Ohio, and all principal cities.

SHERWIN-WILLIAMS PAINTS



### The Battle of the Check-Off

(Continued from page 25) ing Detroit hysterical, we here in Akron were laughing at it!"

By that slowing up of grievancesettling which is sure to follow whenever the more experienced (miner) Master Minds decide to remedy this local shortcoming by limiting the local leader's authority.

Just as the "remote control" exercised by Big Business Headquarters over its local plant managers has caused a considerable part of recent labor troubles, so such remote control by Labor Big Shots will not fail to bring huge disappointment to local members and non-membersto say nothing of hurting the feelings of the local leaders. Already this has happened in several localities. Neither local leader nor local member can serve, nor can local nonmember be satisfied, unless local grievances are settled quickly-and "Long Distance" makes speed as impossible for local union as for local management.

This disappointment will become more marked, also, as rapidly as continuing prosperity puts before the local leaders, not the comparatively simple hard-times' problems of jobprotection (against, for instance, "discrimination"), but the more complicated, less belligerent, more cooperative difficulties of better physical working conditions, job improvements, individual or small group rate adjustments, individual promotions,

By, most of all, the difficulty of maintaining cohesion and solidarity in any group which combines allskills and no-skill.

Vertical unions are able to maintain unity in Coal, Garments, Millinery, etc., mainly because markedly irregular operation there makes job-protection the most important of all conceivable services.

As rapidly as regular operation makes this protection no longer worth union dues, unity has to be attempted through higher and higher minimum wages-with these likely to cost, sooner or later, the loyalty of the most skilled (and most influential) workers. (One hundred skilled men will use less violence but in the long run exercise more influence on their fellow-workers than any 300 unskilled laborers.)

Failing these services of job-protection and higher minimums, the union has to depend on (a) numerous grievances or (b) some such general complaint as "Speed-up." Both of these, incidentally, are increased by remote, overcentralized managerial control. But both are also sure to lessen as rapidly as local management improves.

By the way almost every worker's wife requires him to show for his monthly one-two dollar dues the same monthly value received that your wife and mine require of us for our ten-fifteen dollar monthly (men-only) club memberships!

Both worker and wife oppose further monthly payments without further monthly benefits: "Horses" previously gained are considered not only "dead" but also completely paid for by dues to date; further payments wait upon additional horses!

Four . When these and similar complications make it difficult for the local leaders to deliver daily job-satisfactions which the middle-roaders consider worth their (dues) cost, then recourse is likely to be made to (a) Intimidation and (b) a demand for "Closed Shop and Check-off."

What appears fairly regularly to happen is this:

- As rapidly as Management contrives to increase the worker's daily job-satisfactions, the local leaders have to make greater and greater effort to justify themselves and their dues. As a result, their proposals become leader issues rather than member issues-farther and farther removed from the ideas and desires of both members and middle-roaders.
- Next, as rapidly as salesman and customer grow thus farther and farther apart, more reliance has to be put on Intimidation. When this, in turn, is seen to supply a weak and temporary reed to lean upon, any permanency of (indispensable) membership and (indispensable) dues is seen to require the Closed Shop and Check-off.
- Here, however, appears a new snag. For the more intimidation has been used, the less his own members are willing to assist the leader in fighting to compel the employer to give to such a leader the check-off's complete control over their daily jobs-and livelihood.

As a matter of fact, all these complications embolden me to say this:

In any industry able to furnish under normal conditions a fair amount of job-regularity and job-protection and in any company able to learn and handle ordinary grievances quickly, it is a great question whether any CIO-type union can hold skilled, semiskilled and unskilled workers together without the help of the Closed Shop and Check-off.

Experienced AFL leaders would, I believe, support this by saying that, according to their experience, it is easy to organize the unskilled but damned hard to keep 'em organized. Wise old Sam Gompers, incidentally, is reported to have said that the check-off gives to any leader a power as sinister as the death-sentence!

Five . All this means, as I see it,



• There's no worse headache-maker than one of those expensive shutdowns that dynamite production schedules. They always seem to come at the most critical time.

On equipment which depends upon wire rope, head men are discovering that <u>Preformed Wire Rope</u> is an important cost cutter. On many operations it pays for itself over and over again.

The advantages of Preformed are due to a construction principle which makes the

individual strands lie naturally in their proper shape and form. This in turn makes <u>Preformed</u> easy to handle, difficult to kink, and adaptable to severe service. It takes bending in its stride; spools evenly. It performs like a well-bred, well-trained horse.

It will pay you to ask for an analysis of your wire rope requirements. Preformed might drastically cut your costs, too. Your regular wire rope supplier or manufacturer will gladly study your situation.

Ask Your Own Wire Rope Manufacturer



GIVES GREATER DOLLAR VALUE ON MANY APPLICATIONS

### YOUR SHIPPING BOXES SHOULD



### CREATE GOOD WILL

Scores of manufacturers, courting good will, have been amazed at the ability of Gaylord Boxes to make friends for their products.

As makers of shipping boxes...both corrugated and solid fibre...for hundreds of leading products, our testing ground has long been the back rooms and warehouses of the nation's stores and factories. We watch shipments arrive...we see them unpacked...we hear remarks ...note impressions being formed. The vivid backstage picture thus obtained leaves no doubt as to the power of shipping boxes to create good will.

There is a "journey's end tested" Gaylord Box with the famous built-in Gaylord "Margin of Safety" for every shipping need. For sample and full details, call or write our nearest office. Gaylord boxing craftsmen are at your service.



### GAYLORD CONTAINER CORPORATION

Department 802, ST. LOUIS, MISSOURI

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that those "Agreements" do little else than arrange a setting for the later and more or less inevitable *Battle of the Check-off*. It is probably just as well to "smell that battle afar off," like Job's war-horse—and smell it now.

**Six** • This battle is, I believe, unlikely to be won by at least the present inexperienced type of local CIO leaders unless these can obtain continued, voluminous political help from Washington. This continued big volume of help appears to me *unlikely*. Because:

(politically) interested in higher wages and shorter hours for the workers—as a means to better distributed national income—than in the well-being of the leader who demands them. It is likely to be sensitive to any public impression that this leader, or his less experienced associates, is overplaying his hand.

It looks as though Mr. Lewis had been sicked onto his organizing job by a New Deal belief that his efforts would serve the same purpose as motivated NRA—but that he soon abandoned this economic for a political purpose. He appears to be attempting what Socialist Norman Thomas has said must be done before the worker's vote can be controlled—make him class-conscious. But such class-consciousness is sure, I believe from what I've observed abroad, to prove the vestibule to class-conflict—and chaos.

b. Public and wage-earners have lately weighed Mr. Lewis' equipment as a potential Labor Dictator—and found him, I believe, wanting. Too ruthless, autocratic, selfish and ambitious—politically and otherwise—to represent the typical, job-interested, middle-road worker. This weighing is likely, incidentally, to cause the organization of more nu-

merous groups of independent employees—so set up as to side-step the title of "Company-union."

c. The past few months of sit-downs and of inadequate member-control have vastly increased public interest in *Union incorporation* or, certainly, in union financial responsibility. (Still more certainly, in the prohibition of such campaign contributions as may buy—or appear to buy—the umpire!)

Increased prosperity is now persuading the same citizens who supported a rubber-stamp Congress in 33 to counsel care and moderation in '37. (Recent opposition to Supreme Court packing would hardly have occurred three years ago.) Depression filled the hearts and minds of all of us with the same fear that clutched the worker. So we were willing to sell our birthright of individual liberty, freedom and opportunity for a pottage-mess of increased-even if collective-security. Better business has already done much to restore to all of us stiffer back-bones, livelier hope, greater confidence in ourselves and our neighbors-to say nothing of lessened optimism in Federal Collectivism.

Seven • Of course the Public will finally decide the whole matter. But for you as an employer, the best way to prepare for that virtually inevitable "Battle of the Check-off" is fairly plain.

It is for you to demonstrate *now* to your every employee, in terms of his daily experience there on his job and yours—your common job—that you can be depended upon for a more sensitive alertness to, and a more sympathetic, more honest and reliable sympathy with, his daily needs and his long-term well-being than can anybody else.

If, for one reason or another, you can't do this, well, then—that's another, later story.

### What's Coming in September

\* \* \*

Making Renters of "Share-Croppers"

By Robert Talley

While reformers, sociologists and investigating committees have been bemoaning the fate of the South's rural economic structure, two business men have been demonstrating that, let alone, they can handle the situation to every one's satisfaction.

A Parent Looks at the Schools By Maitland Campbell

"The assumption that the public bounty alone will educate every youth without cost or effort to him seems not only illogical and unbusinesslike but contradictory of the covenants of Americanism."

The Blind Spot in Labor Relations

By J. David Houser



### The motor that chartered a plane !

Out in the redwood country, a large hoist-motor was wrecked. Lumber production came to a dismaying standstill. New coils were needed . . . and there were none to be had west of Pittsburgh! The mill owner phoned the Hartford inspector . . . Hartford Steam Boiler in San Francisco, in Hartford, in Pittsburgh, went to work.

With the manufacturer winding, impregnating, and packing new coils in phenomenal time, Hartford's Pittsburgh office arranged the largest shipment by chartered airplane on record. As the plane taxied to a halt in Oakland, still other Hartford engineers expedited unloading and shipping to the mill . . . supervised the engine's installation . . . and, in a few short

days, cars of logs were climbing the steep mountainside again.

Hartford follows hot on the heels of trouble. To the service of American industry it brings the unequaled skill of its nation-wide corps of inspectors . . . the experience born of 18,000,000 inspections . . . the diverse talents of an organization which, for 70 years, has been devoted to one job alone: engineering insurance. Hartford

insures . . . Hartford inspects . . . Hartford seeks, through field force and unique home-office engineering staff, to bring to industry a new concept of power-plant safety!

To thousands of executives, Hartford protection means freedom from worry. To all businesses, large or small, Hartford offers its best energies . . . that power may stay in bounds. Apply to your local agent or broker.

This familiar seal, the hall-mark of the largest purely engineering insurance company in the world, appears on all Hartford Steam Boiler policies. . . Engineering insurance covers loss from damage to property or persons, and stoppage of production, business or rents due to explosions of boilers and pressure vessels, and accidents to power and electrical machines. . . Ninety per cent of all power boilers built for America's industrial plants bear the HSB imprint, placed thereon by the Hartford inspector who passed upon their design and watched their construction.



THE HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY, Hartford, Connecticut

### One Big Union for Business

(Continued from page 24)
Second, both corporations, as such, and industries, as grouped into associations, should strengthen their ties with a central national body.

Although many trade associations have done splendid work in standardization of trade practices, sales promotion, state legislation and the general education of their members, most of them are strangers to the labor problem.

The trade association needs to get the facts on labor-not so-called espionage-and inform employers; and the association needs most urgently to see to it that the truth concerning industry reaches the workers. Organized altogether too loosely to handle the emergency that confronts it, the association could do worse than copy the labor union and strengthen its war chest. The nucleus of a truly central industrial body has existed for 25 years in the National Chamber. But it needs to be expanded and made cohesive. Most of all, it needs to be rightly evaluated by the associations themselves.

### Broad industrial organization

THE rise of the CIO focuses attention on this need for industrial organization on a broader base than that of which most industrialists have been thinking. How can a local enterprise deal successfully or consistently with representatives of a far-flung, militant national labor body experienced in all the tactics of labor controversy?

Labor negotiation today is too big for the compass of local business or independent trade association machinery. With each individual unit or industry group jockeying for its own immediate advantage, without regard to the means best adapted to meet the common menace, it was inevitable that successful strategy should be on the side of labor.

Furthermore, the same economic conditions which permitted the capitalizing of "social justice," created also a political situation incredibly favorable to this new mass movement of men and votes, as was revealed with sinister significance early in our sit-down era. Many recent strikes have not been conducted according to rules and law. All responsibility is placed on the employer. Labor—I speak here of the kind spelled with a capital L—can do no wrong.

In their efforts to make themselves effective nationally, the associations should abandon their more narrow and self-contained status and form a "union" of their own. Each trade for itself and ruin take the hindmost no longer will work. In reorganizing, the big fellow should remember that the little fellows are popular these days, and policies—labor or other—should be devised accordingly.

The primary object of this new type of trade organization is prevention rather than prosecution of industrial war. Such a body or bodies will be concerned with principles and strategy. The National Chamber has taken the initiative on principles; it rests with the associations to apply them. Both should concentrate on these two major jobs, the successful performance of which is essential to industrial peace and prosperity:

First assist members to improve their employee relations by applying the most progressive and enlightened policies, by correcting everything that may rightly be subject to criticism, and by making available to workers the facts of business and true individualism.

Second, everlastingly keep before the public all the facts about business, seeking to coerce no one, but inviting the support of middle-of-the-road sentiment, on an appeal to reason supported by truth.

The right beginning would seem to be an acceptance of labor unions as inevitable, at least in the larger units of business. Grant the right to organize as fundamental. Few employers now deny this. It is the only point settled by the Wagner Act and its affirmation by the Supreme Court. Designed as a "Labor Disputes Act," the law has accomplished little toward settling labor disputes. It merely makes collective bargaining mandatory—where the employees (and organizers) want it.

The manner of bargaining is not specifically provided, nor does the law define clearly the priority rights of different groups seeking to speak for workers. Later decisions of the court no doubt will clarify these points. In the meantime, the policy of the CIO is to contend for the right of a majority to bargain for the whole, when the majority is on their side; when it is the other way around they favor minority groups.

If the right to organize is conceded by business, without mental reservations, business as a whole will be spared the embarrassment which is most certainly in store for those employers who are courting the A. F. of L. in the secret hope that such an alliance will thwart the CIO.

Too many workers today have come to regard the few autocratic, hardboiled, penny-pinching employers as representative of business. Too many employers consider the loud-mouthed, radical, something-for-nothing labor sergeant as typical of employees. Each profoundly mistrusts the motives of the other. And yet our instincts tell us that few people have consciously bad motives; most men's desires in the main are worthy.

This whole problem of personnel management should be reduced to the simple relationship between two individuals—the employer and the employee. What one does that arouses a feeling of unfairness, suspicion or resentment from the other, when multiplied thousands of times, becomes a trouble breeding factor between capital and labor. Executives will do well to measure their personal conduct by this standard.

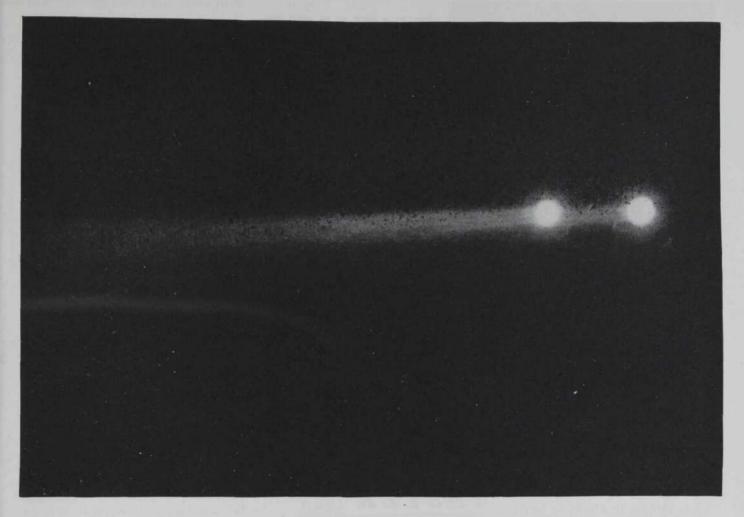
#### Explain economics of business

THE subject of jobs, wages and unions, is, to a degree, removed from its usual plane of emotionalism when business acquaints employees with the status of the business. When this is done with perfect candor and workers are taken into the confidence of management-treated as intelligent adults-some of the current vituperation loses its sting. Economics is a chamber of knowledge that forever will remain closed to the tabloid type of mind, but a bit of elementary education can be imparted by at least trying to show what profits are and from whence they come.

The biggest, most profitable job any trade association can do is to assemble the facts about its industry and then disseminate them among the public.

Business, tell your story. Tell it through your Industrial Relations Manager, if you have one. Raise his status, make him a counsellor and respect his counsel. Tell your story through your sales organization, your customers, your stockholders, your house organ. Junk the patronizing, spoon-fed house organ. Write up, not down, to the men. Remember, there is no avenue to conviction as direct as sincerity. The blusterers would have business men believe the Wagner Act clause on non-interference prohibits all intercourse with their employees. Rubbish! Has the right of free speech been abrogated?

And speak, also, through your trade association. Perhaps it will help if you examine your own attitude toward the other members. Has the organization meant to you no more



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### "DRINKING and DRIVING DO NOT MIX"

THIS STATEMENT may seem to work directly against our self-interest. But actually it does not.

It is very much to our self-interest to see that the privilege of drinking is not abused. It is to our interest to see that liquor is consumed as it should be consumed. Whiskey is a luxury and should be treated as such. When taken moderately...with a true appreciation of its taste, bouquet and character, fine whiskey brings a sense of friendliness and fellowship to social gatherings. But neither whiskey nor any other alcoholic liquor has any place at the wheel of an automobile. Drinking and driving do not mix.

This conviction must be shared by everyone who reads the newspapers and by every thinking person who drives a car.

Therefore, we invite you—in the interest of public safety—to join us in the crusade for safer, saner driving.

If you expect to be at the wheel of a motor car, we say to you: Think before you drink! Don't drink before you drive!

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than what you could get out of it? Has the manager's judgment a rating with you no higher than that of one of your clerks? Have you been a willing contributor, but an intermittent worker?

The answers to all of these questions have much to do with your labor problem—and your future.

Whether we like it or not, business is now in politics for its self-preservation. Elementary strategy demands that industry identify itself as the friend of individualists and minorities, a bulwark of freedom and opportunity against collectivism and regimentation.

On that issue it has the votes, if these votes can be mustered. They can be, through reason and demonstrated sincerity.

### Opportunity made America

WHAT made America what it isand what will preserve it in that form -is the opportunity each individual has to become an enterpriser. In this country, above all others, individual labor and true individual enterprise are synonymous. Thus, monopoly by "Labor," so-called, or by politics, miscalled Government, is just as offensive as is monopoly by Big Business. So long as American principles are permitted to operate, even organized labor will reject dictation from its organizers, whenever these organizers are inspired by inordinate ambition, animosity or fear.

"Labor is on the march!" cries Lewis. So ought industry to be on the march. It is nothing short of incredible that, with millions of employees highly organized, not one great industry in this country is organized as it should be. To date, business is organized much as Ethiopia was—a few chieftains making big talk but more hiding out in the brush.

Look to your trade association! Get your manager in step and keep in step with him. Accord his position the status and respect it deserves. Then—and here's the crux of the situation—get up a little higher, view industry as a whole, and unite with others.

Associations can unite on principle. Until they do, emotion will continue to dominate. Is it conceivable that, in this country of individual enterprise, any subversive movement or violent agitation can make substantial headway in the face of organization based on fact and reason? Is a Congress of American trade, industry, agriculture, commerce and finance impossible?

Whose privilege is it to make the first move? It should be Government's. It could be organized labor's. But it *must* be the responsibility of

business—out of sheer self-protection—to point the way. I have faith in the motives of both employer and employee, for these are based on identical desires to reach a common objective.

The great opportunity is to restore general confidence in these motives, to exercise reason, to impersonalize differences of opinion, to deflate the denouncers, and to urge patiently and confidently the fact that there is more real power in one demonstrated truth than in a thousand whispered or shouted accusations. Business will have to learn to cooperate, first with itself, then with labor. And labor will have to take control of its own thinking and learn to cooperate with business—it must cooperate.

"The success of democratic institutions," said Chief Justice Hughes, "lies in the success of the processes of reason as opposed to the tyranny of force."

That is the challenge!

### Smaller Debts for Local Governments

METHODS that local governments have employed successfully in coping with their debt problems are outlined in a report just made public by the Chamber of Commerce of the United States, as part of its nationwide campaign to stimulate interest in the fiscal affairs of state and local governments.

The Chamber's Committee on State and Local Taxation, which compiled the material in the report, urges that every means be employed looking to effective debt control, but states that there is no statutory or constitutional substitute for common sense in debt management. Municipalities bent on incurring exceedingly large debts, says the Committee, "probably will succeed in doing so regardless of the legal restrictions placed upon them, if buyers of their bonds can be found."

The Committee continues:

In the last analysis effective debt control is the province of the investor and the taxpayer quite as much as of the public official. To safeguard the quality of municipal securities in his portfolio the investor must insist upon proper standards of fiscal management and carefully scrutinize his municipal purchases. If taxpayers are not vigilant at all times they may expect a heavy tax burden for interest, debt retirement, and other expenditures.

As a first step in any program of debt control, the Committee lays great stress upon the necessity of long-range, systematic financial planning. It is generally agreed, the

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You do NOT have to be insured by Lumbermens to join the "NOT-OVER-50" Club, nor do you place yourself under any obligation. Fleet owners may have insignia for every car.



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The red warning arrow that goes on the speedometers of members of the "NOT-OVER-50" Club is an alert, ever vigilant policeman. It not only reminds you to stay under 50; it's there every minute as a warning to drive carefully—whatever your speed!

Above 50 miles per hour, fatalities begin to pile up fast. That's why Lumbermens formed the "NOT-OVER-50" Club—a national movement to help reduce traffic accidents. More than 100,000 have joined, agreeing—first, not to exceed 50—second, to drive carefully.

Membership is free. On behalf of your family, your loved ones, yourself, mail the coupon today.

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Lumbermens wants to reduce accidents not only as a valuable humanitarian service but because fewer accidents mean fewer losses. In this mutual company that means dividends to policyholders.

Lumbermens is operated for the benefit of its policy-holders. The savings that result from insuring careful drivers and reducing accidents among them—and from operating economically—are returned to policyholders in cash dividends which reduce their insurance costs.

Lumbermens would like to insure every careful driver in America... but whether you insure with Lumbermens or not, join the "NOT-OVER-50" Club and help stop the terrific toll on streets and highways.

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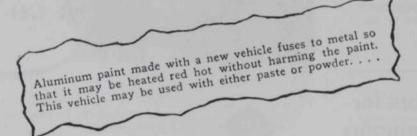
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Alert, responsive, quick-acting . . . that's a Nation's Business reader! This little 3-line editorial item, in the size shown above, appeared in Nation's Business for March. It brought requests for the manufacturer's name from such firms as Sears, Roebuck; the Borden Company; Socony-Vacuum; the Hoover Company; Pittsburgh Plate Glass; American Can and many others, all important people.

You can capitalize this same obey-that-impulse type of interest with news of your products and services in the advertising pages of Nation's Business. Committee states, that governmental units should plan their finances in advance for a term of years, in order that the construction of various anticipated public improvements may be financed in an orderly and economical manner, and in correlation with current expenditures for operations.

In furtherance of a program of financial planning, the Committee offers these suggestions:

Local governments should plan in advance for the construction and financing of projected improvements. Such plans should take cognizance of trends in city growth and development, and of the probable need for improvements. The improvement program should be correlated with the current spending program of local government.

Pay-as-you-go instead of bonds should be used to finance all improvements of a recurring nature, and there should be greater reliance upon current revenues for paying the cost of non-recurring expenditures

Debt should not be incurred when it will increase debt-service charges to a point where they consume more than 25 per cent of dependable current revenues. The percentage often should be lower.

Serial bonds should be used whenever practicable.

Debt maturities should be so scheduled that each issue matures in approximately equal amounts each year.

Term bonds may contain provisions permitting retirement each year in an approximately equal amount.

Callable issues of bonds may be advantageous under certain conditions, particularly in periods of high interest rates, but caution should be exercised in the issuance of this type of security in view of marketing obstacles.

#### Limit borrowing power

AS a second major step, the Committee believes that "specific limitations upon the power to incur debt can be effective in controlling local indebtedness. The fault with present limitations of this type lies principally with their application and administration."

As a third important step, the Committee says that "a state can be of substantial help to its municipalities, particularly the smaller communities, by setting up an agency to assist them in developing and following good practices in the exercise of their borrowing power.

Finally, the Committee offers several methods for dealing with the problem of overlapping debt. The most effective solution, the Committee says, would be reorganization and consolidations of local governmental units. This process, however, is slow. Alternate methods which may be helpful would include establishment of a voluntary board for coordinating incurrence of indebtedness by overlapping governments, or establishment of such a board as an official agency with authority specified by state law.



### The Big Job of Counting the Countless

(Continued from page 20) factory offered her? "Just what does the manual say about a case like that? Huh! Nothing." Or does it? And if so, should it?

Then that foreign family that takes in homework from a tag and label factory-on piecework. And that realtor!

Sure, I'm unemployed. A shingle in my window doesn't make me an employer. Because a man's on his own doesn't mean he wants to be and wouldn't accept a job that would net him more than he can make on his own. Me an employer? Who works for me that makes me an employer? Say, how do they get that way down in Washington?

Returning to headquarters you learn that tomorrow you are to canvass Highland Avenue.

So, next morning, there you are.

You press a button opposite the symbol 4-A, a latch clicks and as you ascend to the fourth floor the name you are stalking suddenly pricks a memory cell. The door swings open and the ex-president of a bank that is no more stares at you. With stolid

calm he asks you in. Typewritten sheets, tobacco smoke and the chilling air of utter isolation strike your senses. You already know his story. The tabloids told it. So you launch your queries quickly without taking the chair he offers.

### Pride of the unemployed

NO, there is no unemployment here, you're told; none whatever.

You leave knowing the poor devil would snap at a job as customers' man if any brokerage house dared offer it!

Unemployed? Sure he is, but I've got to take his word, don't I? Or do I?

The sound of running water and clatter of breakfast dishes hit you when 4-B, across the hall, stands ajar. Sleeves rolled up and in moccasins a recently dismissed public official, close to 50, nods inquiringly.

"Unemployed? Yes."

His pension is not enough to meet his overhead, he informs you, as you note checkmarks in the "Help Wanted" columns of the morning paper beside you on the davenport. His wife is downtown angling for an assistant buyer position in a department store where she formerly worked. She has been told of a pending vacancy that hinges upon a marriage date and is in line for it.

Dual unemployment or an even break?

A still-struggling free-lance copywriter, a retired naval officer and wife with a daughter who'd like to be an athletic instructor at a girls' camp. . . . A widow, yearning for something to do, though palpably well-to-do. . . . A fashion mannequin and artists' model, beauty-sleeping, as a maid guards the door. . . . Salesmen of investments, insurance, nursery stock, cars, homes, machinery.

These are but a few of the cases that beset you as finally you call it a day and begin to realize that of all the silly symphonies in statistics that have dunned our ears none has carried so many bold, false notes as has The Tragedy of Unemployment. We have yet to see a nation-wide count of the unemployed worth the stationery it consumed. We never will until this one fact permeates the cuticle of those who engineer the task:

To be done adequately it must be done by men and women who know employment.

In short—the employing interests of the nation who know an employable worker when they see him. No broker in jobs, no authority on unemployment, no student of anything knows as well as they.

What then do we need? A count of the nation's Idle Employables; the number of persons who have demonstrated three truths:

- 1. They can work.
- 2. They need work.
- 3. They cannot get work.

How to do that is something else. Let us first go to two schools of thought on the subject.

The first school's leaders delve

mainly in estimates.

Each decade they glean from the Census Bureau's door-to-door canvass the total of the nation's workers, and from many other public sources the number of workers upon the pay rolls of thousands of our largest manufacturing and commercial enterprises. The door-to-door assault has given the total of workers in each field but not, however, broken down into the busy and the idle. Pay roll figures. varying from month to month, supply the up and down swings in



employment, thus generating percentages. Then on, it's higher mathematics which only the erudite in figures can fathom. But admittedly their stock in trade are trends in employment and unemployment founded upon incomplete data regarding the employed and practically none based upon contact with the unemployed. The wind, nevertheless, is with them to the extent that the reports our employing interests must make under our new Social Security law will give them additional data upon which to build a structure of figures regarding the employed from which may emerge more credible figures about our unemployed.

The second, in tabloid, says this:

Any house-to-house method of ascertaining the number of unemployed simply raises factors of error that sap all value from the ultimate conclusions. No definition of "Unemployed," for instance, can be used universally and result in any fact more tangible than the obvious one that its use gratifies the whims of the individual or group who framed it.

Ask a person, it contends, a certain question in a certain way and at once you have shunted his mind to a certain spur of tracks.

If, for example, you ask the average human in a pass-the-time-of-day manner how he is, he says: "Okey."

But, pen-poised, tell him ever so casually that you are calling to make an official report on the state of his health and he begins to suspect that perhaps, after all, it is not so hot, could be better or is just downright precarious.

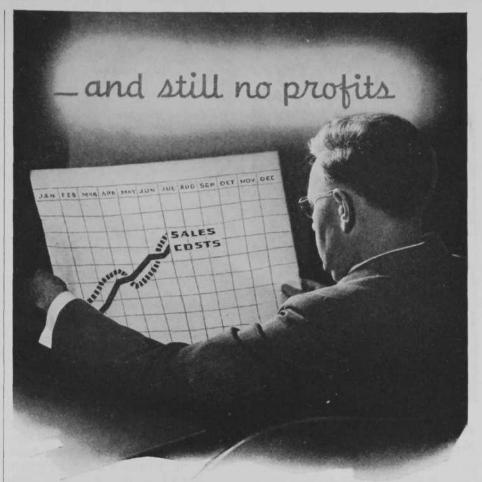
### A registration of unemployed

IN SHORT, that group protests that nothing up that alley can be done about the problem and suggests a nation-wide system of what might be termed Voluntary Registration of The Unemployed.

They feel that a man who wants work and can work ought to give evidence of that fact by going on his own initiative to a common registration center to let the fact be known. If he does so and is there interviewed by competent people who deem him capable yet, after a given time, cannot find employment for him, he should be listed as genuinely unemployed-provided periodical checkups disclose that he has not in the meantime found a job. If, on the other hand, they agree that the chance of finding work for him is slim because of his age, some infirmity or other factor, his case ought to be listed, not as one of unemployment, but as one more social case.

Three thoughts sprout from that latter root.

One: Though the objection may be fairly made that some genuinely unem-



### EARNINGS CAN BE INSURED

Producing and selling costs may follow the charted line; sales may exceed the goal set — and still profits lag.

Credit losses have to be reckoned with. When debtors default, not only are potential profits lost, but also the cost of the goods shipped.

Credit losses are inevitable. The question before the executive is: Shall these losses be allowed to jeopardize profits, or shall sales be insured and losses definitely limited? There is no other course.

Credit Insurance is profit insurance. No matter what may befall the customer, goods that are sold according to the terms of the policy will be paid for. Claims are filed — the creditor is promptly reimbursed. Insolvencies cease to be a menace.

Credit Insurance benefits the executive, the sales and the credit departments, all alike. There is greater freedom in planning, greater vigor in selling, greater assurance in credit granting when profits and capital are never in jeopardy.

Many Manufacturers and Jobbers find it desirable to protect themselves on all debtors. Some adopt the type of insurance which best meets their requirements, insuring Individual Debtors, Special Groups, Non-rated Debtors — others take out policies covering sales by a subsidiary, or a branch or just one of their plants. Ask any American Credit Indemnity Co. representative for full information.

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ployed people will decline to go to such a registration center, would they resent that necessity a whit more than some of their neighbors would resent a house-tohouse invasion? Would not the number of resenters to both plans be at about a stand-off?

Two: Certainly such a method carries the virtue of having on file for permanent employment the names and qualifications of the worthy jobless, provided always those who interview them are competent to weigh those qualifications against the potential opportunities industry and commerce offer, and are primarily concerned with getting jobs for the worthy rather than with the volume of their statistics.

Three: Would not such a plan, assuming a businesslike coordination already existed between such centers and our public relief headquarters, put many thousands of men and women, now in the public mind as members of the Unemployment Army, where they properly belong—in the army of those who have become social charges upon a community's conscience? For those who, because of infirmity, finances or pure perversity, cannot essay such a trek there is always the post office.

Now let's try to reach our goal through business.

"I'm not an authority on statistics or unemployment but I'm tempted to make a wager and I hope I lose it."

The gentleman I quote I know better than he knows me. A trust fund of \$25,000, I happen to know, which he established 19 years ago, still functions through his bank for the benefit of an obscure employee of his plant for whose permanent injury he felt himself remotely responsible.

"You," he nodded at me, "tell us there are about 1432 public employment offices in the country. Very well. You, you and you," his nod indicating three business men, representing widely different enterprises, "you three go tomorrow, or delegate a superintendent or foreman, to our local public employment office, talk with or simply hear the day's applicants tell their stories, and I'm willing to bet that you or your proxies will agree that the percentage of the day's total applicants who are-I hate the word-unemployable is close to . . ."

His eyes caught mine: "What? I'll leave it to you."

I would rather not see in print the percentage which, after much chiding, I gave them. It was, I explained, a pure guess. But it is a figure that many, many employment-personnel men have told me was far too conservative.

"That is larger than I was going to say," he continued. "The problem these people present is a social one. The most business can do for them is to bear a just share of the taxation necessary to maintain them decently. Unemployed or a social case? There's a world of difference, and we'll never get far in distinguishing between them until, up above, there is a clean-

cut policy and those on the ground floor are permitted to follow that policy long enough to prove it's a good one or a punk one."

Which, in more than passing, is the way many, many men and women I've met now working for their state or federal Government in employment, and direct and work relief tasks feel about it. They're willing to try anything once but they want it given a fair trial.

We know, then, what we need—an Audit of our Idle Employables. We know, or ought to know by this time, that it cannot be done and result in anything but a mass of figures, by asking people along our streets who, thereabouts, is jobless.

Why kid ourselves?

Why not start on the ground floor where all good audits start? We already have the machinery. If it needs oil or better craftsmen to run it, see that it gets them.

### Separate unemployment and relief

ROUGHLY 1,400 public employment centers and no one seems to know how many public relief centers, the first devoted to placing the jobless, the latter, in many instances, combining job-getting with relief activities, now exist. To both agencies come the nation's jobseekers and those needing or seeking public relief. They come of their free will because they want or need jobs or relief. To those few who would but cannot come we have only to continue our present wide custom of going to them where conscience and good judgment dictate.

Where could we find or create a more logical place to collect the facts we need? The fact that, in many communities, duplication of effort and waste motion prevail in the functioning of employment and relief centers is beside the question.

The larger truths persist:

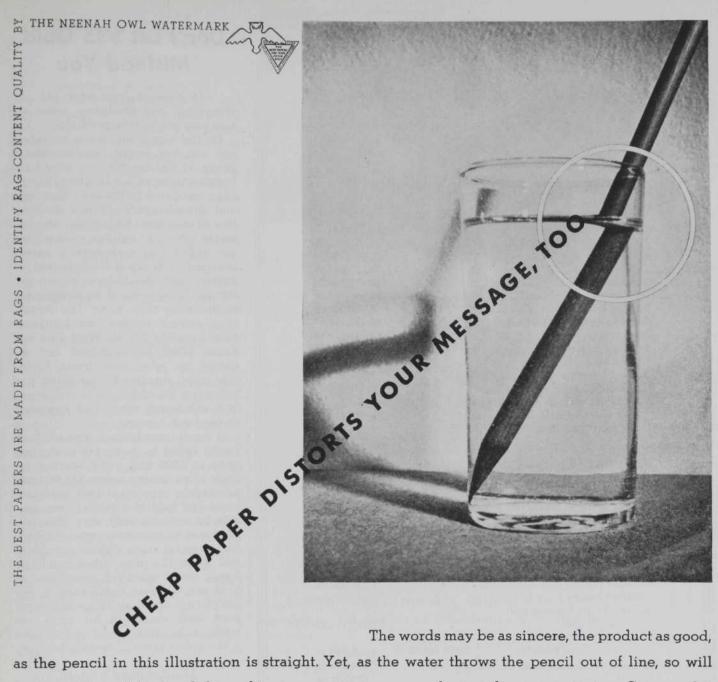
Each community's employing interests, in their advisory capacity, would speak, not for one firm or industry, but for employers as a whole; and ever with the distinct understanding that the responsibility for determining the status of the needy must rest upon the shoulders of public servants to whom they have volunteered the benefits of their broader experience. As a people we did such things when the World War came. Why not now?

It would be a big job but it must be done before anything worth doing can be done about this mountain called relief.

As Lincoln, challenged as to Democracy's lasting worth, parried ever so gently:

"Is there a better or equal hope?"

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### Statement of Condition June 30, 1937

#### Assets

Cash, Due from Banks and Bankers		.\$ 269,118,786.60
Exchanges for Clearing House		. 53,841,630.81
U. S. Government Securities		. 401,066,208.54
Demand Loans		. 70,215,691.89
Time Loans and Bills Discounted		. 196,437,268.29
State and Municipal Bonds		. 18,156,703.40
Stock of Federal Reserve Bank		2,250,000.00
Other Securities and Investments		. 16,032,148.34
Mortgages Owned		2,302,729.16
Banking Premises		. 19,673,529.73
Other Real Estate		1,034,133.76
Accrued Interest and Accounts Receivable		3,247,202.57
Customers' Liability on Acceptances		4,467,296.43
Liability of Others on Acceptances, etc.,		
Sold with Our Endorsement		. 6,923,673.35
Other Assets	* *	. 1,314,500.00
		\$1,066,081,502.87

#### Liabilities

Capital	00,000,00
Contingency Fund	5,500,000.00 80,341.68
Outstanding and Certified Checks . 37,68	88,083.34 945,168,425.02
Dividend payable July 1, 1937	1,250,000.00
Unearned Interest	417,584.10
Interest Payable	
Outstanding Acceptances 8,8	
Less Amount in Portfolio 4,2	19,366.44 4,608,846.47
Acceptances, etc., Sold with Our Endorse	ment . 6,923,673.35
Other Liabilities	627,077.08
	\$1,066,081,502.87

Assets carried at \$33,225,296.11 have been deposited to secure deposits and for other purposes.

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### Don't Let \$35 Gold Mislead You

(Continued from page 30) struggling and producing some ore and may yet become profitable.

Of the remaining seven operators one was our Iowan; another was a group of Kansas farmers who tried to run a mine with a technical knowledge restricted to Poland China hogs and grasshoppers. Others included two oil men from Oklahoma, who had ample money to employ good advice, but didn't and took over a barren prospect; a group of Reclamation engineers, who should have known better but who seemed to forget any engineering they knew the minute they started mining; an insurance man from the Middle West who was drunk when he examined and acquired his mine, was drunk during the eight months he operated and when last heard from was still drunk and wondering what had happened to his bank account.

A small-town banker, who inadvertently failed to make his books balance in 1929 and after serving his time, tried mining, spent \$11,000 and acquired a conviction that gold in a vault and gold in a vein are recoverable by methods very, very different. Last was an ex-convict who obtained some capital from a deranged florist and when the mine failed, made by hand, some beautiful specimens of gold ore, showed them around, got his picture and a write-up in the papers, sold shares in his rich gold strike which didn't exist and skipped -the police are still looking for him.

#### Disillusioned by gold

ALL SEVEN of these operations failed for obvious reasons and upwards of \$70,000 was lost. These people have moved on, disgusted with the district, with the state and the mining industry in general, leaving a trail of "Oh, Yeahs!" behind them when ever mining is mentioned.

It is a fact that the rise in the price of gold together with advancement in the technique of mining and milling have made many properties capable of being worked profitably which 20 years ago failed to earn a dividend, but the man who would try to fill his own teeth or repair his own watch had better keep his poke in the pocket of his shirt. Only the man who is willing to spend money on a diagnostician has a chance to avoid the pitfalls which ensnare the unadvised or ill-advised layman who would delve into Mother Nature's storehouse of the metals.

Don't let \$35 gold mislead you.

### A New Kind of Agriculture

(Continued from page 36) see that the ground is ready indicates its thoroughness. The Nursery now has an imported machine which looks much like an outboard motor on wheels, and is aptly dubbed a "pulverizer." It consists of a rapidlyrotating axle fitted with claw-like teeth which literally tear the clods of dirt into shreds. The pulverizer is supplemented with rakes that level the beds as evenly as a table top. When all the finishing touches have been applied, the planting area is a gridiron of perfectly shaped beds, each of which measures four by 400

#### Seeds are planted thick

THE sowing is done by machinery. An eight drill seeder is pulled down the bed by a "go-devil" (a truck widened and shortened to fit the beds) and the seed planted in rows as thick as 40 to 50 seed to the square foot. Attached to the rear of the seeder and roller is a reel of burlap which drops neatly over the rows of seed. Four men following behind the reel stake the burlap down with wire wickets.

The covering is kept constantly moist during the germination period by an elaborate sprinkler system taking water from two deep wells with a 450 gallon a minute capacity—enough water to supply the average town of 20,000 population.

The moist burlap covering and the warm, rich ground usually sprout the seed in two weeks. When the first tips of needles show above the ground, the burlap is removed and the young plants allowed to get their fill of southern spring sunshine.

The spring growth is rapid and, though the summer growth seems relatively slow, the plants have a well developed root system by the time the transplanting season opens in December.

The biggest nuisance in the hot months is grass which must be kept out to prevent its choking the seedlings. Most of this weeding can now be done by machinery.

"Lifting" the seedlings usually begins just after Thanksgiving. A tractor scraper scoops beneath a whole bed at a time, loosening the dirt from around the 10-inch roots. Men following behind the lifter pick the seedlings as if they were violets; and "heel" them in by packing dirt around the roots.

For the move from the Nursery to



Start your boy shaving with a Schick Shaver. It will clean off the first tender down and, though he grows up to have the toughest beard, he will always shave quickly and closely.

His skin will never become calloused with the scar-tissue that inevitably follows blade-shaving. Never will he cut, nick or scrape his face, for there are no blades in the Schick Shaver. No moving part touches the skin.

The gentle, massaging action of the Schick induces the flow of blood to the skin, helping it to keep healthy and reducing the danger of infection to a minimum.

#### It will cost him less to shave

We do not know any cheaper way to shave through the years than with the Schick Shaver. (Schick Shavers made five years ago have been used every day and are still shaving perfectly.)

There are no blades to buy, to sharpen or replace—no brush, soap, cream, powder or lotions.

The Schick Shaver can be used in total darkness, by invalids in bed, in rough weather at sea and under many conditions that would make it impossible to use a razor.

#### Buy one for your boy and yourself

Go to an authorized Schick dealer. Ask him to demonstrate the shaver to you and explain why your boy can shave well the first day but it may take you a little longer to get your face in condition for a very close and quick shave.

SCHICK DRY SHAVER, ING., STAMFORD, CONN. Western Distributor: Edises, Inc., San Francisco. In Canada: Henry Birks & Sons, Ltd., and other leading stores



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the forest, the seedlings are baled in wet moss to keep the roots from drying out and dying. The technique is simple: a layer of moss, then a layer of trees, then a layer of moss.

Three thousand seedlings to the bale is the usual count for slash and short leaf pine, but the thicker roots of the long leaf seedlings make them average but 1,500 to a bale.

This year's crop of seedlings ran between 25,000,000 and 30,000,000 trees. The Nursery gets 40,000 trees to a bed, which is a better than 50 per cent average on the seeds it puts down.

#### Many mechanical aids

POSSIBLY the most impressive thing about the Nursery is the extent to which machines, many of them designed by the staff, have taken the place of manual labor. By hitching the reel of burlap directly to the seeder, for instance, Superintendent Jack May enabled 20 men to plant as many beds as 100 could plant before. By planting his seed in rows instead of broadcast, he can weed with a plow instead of by hand, and 15 men now do the work of 100 in weeding. Experiments with baling tables have stepped up the number of trees baled per man from 4,000 to 30,000 a day.

The mechanization of the farm has consistently lowered production costs. The last crop was turned out at a cost of \$2.16 per thousand trees, which compares with a previous low in the Forestry Service of \$4.50 a thousand. Superintendent May expects soon to hitch his harrows, disks, pulverizer, bed straightener, and rakes onto one go-devil and rig up a wicket-driver for his combination seeder-burlapper. This he predicts will bring costs down to \$1.50 a thousand.

Forest Service trucks carry the bales of seedlings from the Nursery to the national forests, where the trees are once more heeled in until they are ready to be planted. Long rows of CCC boys move forward over the planting area, cutting long slits in the earth with planting bars, inserting the tap root of the seedlings, and then tamping the earth around them. Ninety per cent of the planted trees survive.

The most important job from transplanting until the seedlings reach maturity is to keep fire away from them. At present fire-fighters in south Mississippi have a difficult task because of the highly inflammable wire grass which has sprung up on the cutover lands. Within ten years this wire grass will be smothered out by falling pine needles, but until then the fighters must keep on their toes.

Even the Nursery crew is organized as a fire-fighting brigade. Each man in the field knows the spot where a truck will pick him up when the call comes through. The forestry towers' standard for locating a fire is 15 minutes from its start. The Nursery, like all CCC camps in the area, is on the telephone circuit connecting the towers. A typical example of the dispatch of the Nursery workers was in fighting a 200-acre fire in February. The fire was five miles from the Nursery, yet the Nursery crew was out of the fields and at the scene 12 minutes after the call came through.

The results of fire protection are already evident in the sections of the forest where seed trees were left standing. Young green saplings five to 15 feet high are springing up on every slope and hill.

The practical effect of the Nursery's work will begin to make itself felt a dozen years from now when pulpwood stock can be cut and carried to mill. With a price of \$2.50 a cord and with good road, rail, and water transportation, the forest farmer has a new source of income opened to him; and supervised cutting will make this income permanent.

The beauty of returning forests, then, means more than physical delight to the Piney Woods dweller. With future newspapers calling for his crop of seedlings, the Piney Woodsman has a new incentive in seeing that the woods are brought back. As the green needles of the pines push through and above the wire grass and blackened stumps and scrub oak, so prosperity raises its head once more in the southern woods.

### Leipzig Trade Fair

THE Leipzig Trade Fair will hold its 1978th session from August 29 to September 2 inclusive. Over a period of 700 years this Fair has grown so that it now attracts a quarter million business men from countries all over the world to its regular markets. More than a score of industrial countries are regularly represented in its exhibits.

It is reassuring to find that a general business recovery is indicated by the ten per cent increase in exhibits in the past year. Foreign exhibits at the Fair have doubled in the same period. The business transacted at the Spring Fair this year far outdistanced the best records of previous years. The turnover of German exhibitors alone is estimated at 495,000,000 Reichsmarks, a third greater than that at the same fair of 1936.

Some 10,000 exhibits are expected to be housed in the 51 halls especially designed for the purpose.



THAT IS GOING TO TOWN

## Romance Versus the Boss

(Continued from page 21) keep progressing from job to job to stay in college. So I compromised by referring him caustically to the dictionary. It was necessary to do a little arm-waving and bellowing myself before we got adjusted to each other, but his own tactics made a splendid back-fire for his temper. Usually-but not always. I had to figure out when to laugh at his tantrums, when to be silent, when merely polite. It was a course in boss psychology. In wife psychology, too, incidentally.

He had a passion for music and although he couldn't carry a tune he was always pausing in his dictation to attack some song, recognizable only by the words. If I had had any romantic notions they would have met sudden death at these outbursts which sounded like a pack of wounded coyotes. Certainly such illusions couldn't have withstood the constant, audible gum chewing. Whenever I think of his wife-juggling his tantrums, listening bravely to his ululations and his gum-I heave a big sigh of relief at having been only his stenographer.

#### Impractical—and hungry

MY fourth boss was young, too. Blonde, nice-looking, and reluctant to boss anybody. He had no system whatever. He didn't know what he wanted or how he wanted it. I could have done things any-old-way if I'd cared to, since he was too afraid of hurting anyone's feelings to make a suggestion or a critical comment. A nice trait, maybe, but a trifle impractical in the business world.

He had a monstrous appetite which he gratified unabashed. In mid-morning or afternoon he would suggest that we knock off work and run downtown or out to the house for a bite to eat. His wife was always charming about it, but a man who stows away that much food is doing something disastrous to his sex appeal as well as his waist line.

Despite eight years with four unromantic bosses, I approached my fifth job with some of the hopeful misgivings with which I had sallied forth to my first. I had heard that girls who secretaried for this rather famous middle-aged man came to no good end. Consequently, I applied an extra portion of lipstick, wore my sheerest hose, and expected results. The weather was against me.

Perhaps if it had been June he

might have manifested some alluring- all of two colleges, and half a unily villainous symptoms, but it happened to be mid-winter, and he was a fresh air fiend! The heat was turned off. All five windows in his study were flung wide open. There he sat (wrapped snugly, I suspect, in a couple of suits of woolens plus shirt, vest, and coat) laughing at the way my teeth chattered and my numb fingers mangled the shorthand. Villain he seemed, but certainly not an alluring one. Perhaps by June I'd have found him different, but rather than come to the "bad end" of my predecessors (which I know now must have been merely an awful case of chillblains, pneumonia, or residence in a sanitarium for the tubercular) I resigned.

My sixth and final boss was an elderly cardiologist. Snow-haired, handsome, dazzlingly brilliant, the soul of kindness when his blood pressure was normal, a demon when it was up. He had a one-track mind. When he got started on a subject there was no shutting him off. I recall once writing 27 different versions of the same letter. Even that was never sent. His wife had had to develop the patience of Job to live with him at all.

There you have them-my six bosses. (So many because I worked my way through most of high school, versity.)

Without exception they were men of intelligence and progress, attractive enough at some time or other for some woman to marry. Yet with no one of those bosses' wives did I ever have the slightest desire to change places.

#### The unromantic office

IT isn't altogether that a man displays his least desirable traits while on the job. It's partly that the girl across the desk can almost count the twitching little hairs in his nostrils and the cracks in his neck. While he is thinking up something pompous to dictate she can reason back just how many days he's worn that shirt or how long it will be before he's likely to get a haircut.

Also, she inevitably bears the brunt of his hangovers, if and when he has them.

None of this is conducive to romance. Love just doesn't germinate in air that is fetid with stale whiskey and cigar smoke. Its song is seldom sung to the rattle of typewriter keys,



He is just a big meany who keeps her handcuffed to a typewriter when she might be enjoying herself

STOP for a pause GO refreshed



When you begin to feel tired . . . whether behind a steering wheel or a pile of work . . . remember: *The pause that refreshes* . . . with an ice-cold Coca-Cola . . . will rest you and give you a fresh start.



Every bottle is sterilized. Modern methods and machines protect the purity of Coca-Cola. You can be sure Coca-Cola is pure, wholesome refreshment.



The familiar red cooler for Coca-Cola marks a place to pause and refresh. You'll find it around the corner from anywhere.

adding machines, or creaking swivel chairs.

Outside of office hours I always had a bumper crop of dates, yet despite my most devastating perfumes no single boss has ever shown the vaguest sentimental interest in me. A man's secretary or stenographer is, I believe, as much a part of his necessary work-a-day world as is his desk. In his mind she is associated with duty, routine, effort, constituting the very antithesis of relaxation and pleasure. He appreciates her alertness, accuracy and efficiency far more than her decorative qualities, although an assistant who is easy on

who is not, just as a handsome piece of furniture is preferable to a shabby

It is my firm conviction that the average employer and the average female office attendant are inordinately glad to see the last of each other at the close of day, fiction and motion pictures to the contrary notwithstanding.

Therefore, you wives who've never been through the secretarial mill yourself, lend me an ear. (Particularly if you've been deluded into worrying because some attractive young woman sees your partner more of his

the eyes is no doubt preferable to one waking hours than you do.) An office is about the most unromantic place imaginable, and The Boss the most unglamorous figure his stenographer encounters. Don't patronize that employee of your husband's, and have no fears for her non-existent temptations. She probably wouldn't trade places with you for any sum much less than a million dollars.

> In most cases she dreads the appearance of the man whom you welcome. To her he's just a big meany who keeps her handcuffed to a typewriter when she might be reading a detective story, or window shopping, or out with the boy friend.

## Formula for Beating the Rackets

(Continued from page 33) staff. She is Mrs. Eunice Hunton Carter, scholar of Smith and Fordham. Dewey did something more than pick young folks. He picked honest folks.

Every man and woman who was not well and personally known was tracked back to the cradle. The investigations were carried three and four cradles back in some cases. No overly Foxey Grandpas were ok'd in the lines of succession. Especial attention was paid to the stenograph-

Leaks have been developed in other inquiries through the stenographic

#### Detectives were carefully picked

COMMISSIONER Valentine sent him a couple of hard-boiled captains of detectives and they picked the detective staff. They made a mistake in one case, but it was not much of a mistake. One man was found feeding information to the frightened racketeers. So he was kept on the job and supplied with the kind of information Dewey thought the racketeers should

A floor was taken in the Woolworth Building. The windows were frosted on the one side from which it might be overlooked by men with telescopes. Visitors run the gauntlet of detectives and do not get into the office until telephoned permission has been obtained.

On the street floor plainclothesmen watch the loiterers. The telephone company cooperated. Dewey's lines are untappable.

Dewey says that our methods of criminal investigation and prosecution are primitive. But he managed to get along with them fairly well. In

most racket investigations the trails are practically erased by the red herrings that have been dragged over them. If an outcry arises against 'policy" - they call it "numbers" nowadays-a few ragged runners are dragged in. The announced determination of the Authorities to stamp out the redlight district winds up in a noisy parade of patrol wagons jammed with daubed-up floozies. Dewey paid no attention to this valueless small fry. He said at the beginning that he was out to catch the heads.

"I didn't leave a good private practice to chase prostitutes," said he.

It had never before been possible to conduct such operations in secrecy. That's the way Dewey conducted them, however. When he opened operations he made a talk on the radio, asking the business men of New York who had been victimized to come in and talk to him. Broadly speaking, that appeal was to all the business men of New York. To all the consumers, too. No one has ever been able to estimate just how many dollars a year the rackets take from the housewife's budget. It is probable that every fish, hen, egg, potato, pancake, chunk of ice, bottle of milk, biscuit, pound of meat, glass of beer-everything that goes to make existence possible in New York-has been marked up in price to pay the rackets' imposition.

#### Found witnesses to talk

NO ONE dared talk to Dewey. It was known that the punishment for talking would be prompt and effective. Dewey went out and caught business men and made them talk. He had ten of the best accountants he could find

and they went through ledgers and cash books like a harrow through a nest of ants.

Some of the business men had been so thoroughly resigned to the permanence of rackets that they had not bothered to hide their payments. One Greek restaurant keeper entered his weekly payment as "craft." His spelling was not Websterian but his meaning was plain. One man worked out an entirely new set of books and was caught anyhow.

Dewey had to prosecute some for evasion of state income taxes or contempt of court and threatened to prosecute others. At last it dawned on the business men that they could talk with perfect safety. Then there was a rush to tell all.

#### Broke up the loan racket

THE first thing that Dewey went for was the loan shark racket. The unfortunate borrowers feared for their lives. Some had been killed when they fell behind in their payments, as a warning to others. The blackjack was as much a part of the usurer's equipment as the fountain pen. Interest rates up to 1,040 per cent a year had been charged. A man who borrowed money ceased to be a mere debtor. He found himself a source of permanent income.

Usury is only a misdemeanor in New York and so Dewey waited until he had a number of counts against the men who had been identified from behind Venetian blinds by their terrified victims.

Of the 28 loan sharks brought to trial, all were sent to prison for terms ranging up to five years. The estimated profits in New York City alone were \$10,000,000 a year. Dewey's

score card to date shows 52 indictments, 52 convictions. He has never lost a witness. If there is the least danger that a witness might be known to the racketeers, he or she is kept under cover and careful watch. In the Luciano case some of the girls were as wild as hares with a combination of nerves, hang-overs, hatred and fear:

"I've seen girls' stomachs burned with matches," one cried in terror, "and they hadn't done nothing compared to what I've told you."

So Dewey called them "Miss," sent hair dressers and manicurists to the places of detention to keep up their morale, fed them good meals and liquor if they needed it, and had one or two escorted to night clubs when cell boredom became pronounced. Most of them came through with the testimony they had given in private. One or two changed on the stand, perhaps out of fright. Dewey's cases were unshakable.

#### Safety for witnesses

HE SAYS that witnesses are in no danger after they have testified. Experience seems to show that he is right. Underworld cynics see no good reason for punishing persons who have squawked once. They would certainly squawk again.

Then "Tom" Dewey is to be considered. He has let it be known that the man who puts a finger on one of his witnesses save in the heat of true love will presently wish that he had never been born. There is no

dissenting opinion.

Of course, Dewey has no more than scratched the New York City rackets. There are 1,000 of them. Commissioner Valentine has warned that their exactions may result in driving business away from the city. Some have been already driven. But Dewey has at least shown the way. He says that rackets—anywhere—can be cleaned up under the laws now on the books everywhere. What are needed are determination and honesty and youth.

Youth is the greatest of the three. Because it includes the other two. Dewey is now 33 years old. He would like to wind up this racket inquiry and begin to get home at night once more and see how much his two small sons have grown and maybe take his pretty wife out on his yawl through Long Island Sound. He would like to make some money, too. It is costing him \$50,000 a year at the least to do what he is doing. But there's no telling. He might go on for a long time. He has formed a contempt, a hatred, for the rascals who have been preying on the helpless and it may take him some time to stop.

That's youth again.

## Guaranty Trust Company of New York

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#### Condensed Statement, June 30, 1937

RESOURCES Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers Bullion Abroad and in Transit U. S. Government Obligations Public Securities Stock of the Federal Reserve Bank Other Securities Loans and Bills Purchased Items in Transit with Foreign Branches Credits Granted on Acceptances Bank Buildings Other Real Estate Real Estate Bonds and Mortgages Accrued Interest and Accounts Receivable	\$ 520,351,628.66 64,240.00 646,369,691.82 43,256,435.90 7,800,000.00 19,567,950.49 692,612,703.23 1,239,628.81 23,838,499.73 13,478,861.83 468,328.24 2,395,167.28 12,638,477.16 \$1,984,081,613.15
LIABILITIES  Capital \$ 90,000,000.00  Surplus Fund 170,000,000.00  Undivided Profits 9,891,451.60	<del>\$1,504,001,013.13</del>
Dividend Payable July 1, 1937 Miscellaneous Accounts Payable, Accrued Interest, Taxes, etc	\$ 269,891,451.60 2,700,000.00 21,268,337.41
Liability as Endorser on Acceptances and Foreign Bills	23,838,499.73 3,927,091.00 1,440,600.00
	1,661,015,633.41 \$1,984,081,613.15

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#### A Year Under Robinson-Patman

(Continued from page 38)

iginally directed, do not seem to be greatly handicapped. While they have been deprived of considerable income formerly received from advertising and promotion allowances, special discounts, rebates, and diverted brokerage, they have equalized this loss by buying direct at net prices and increasing the effectiveness of their own brand promotion. Added to this is the money they have realized by obtaining better margins on a surprisingly well sustained volume of national brands.

The law directed itself specifically to the dummy agencies established by large corporate chains through which they pocketed the brokerage. One such firm already has folded up, and the Federal Trade Commission, the Robinson-Patman enforcement agency, made much of this fact in a recent recapitulation of the cases handled in the first year. The dissolution of Procon Service, Inc., of New York, a brokerage firm organized by some of the largest corporate chain grocers, was not, however, as significant as it seemed. The reason, according to informed officials, was that these chains did not want to fight the Government on this score while more important battles were pending with relation to chain store taxation.

Other chains are not so timid, the Great Atlantic and Pacific Tea Company, for example, is battling the Federal Trade Commission to the final gong. This case is still in the hearing stage. The suit against Reeves, Parvin and Co. of Philadelphia, which is alleged to have set up the Tri-State Brokerage Company as a purchasing agency, and one against Oliver Brothers of New York, an independent market information and brokerage firm, have not yet reached the hearing stage. In fact, the whole program marks time to await the Commission's decision in the paradoxical, almost laughable against the Biddle Purchasing Company of New York.

If the Commission holds that this concern's practices violate the "brokerage clause" of the Act it will, in effect, be nullifying the primary purpose of the law since the Biddle Company, as the Government conceded in its final brief to the Commission, has proved of great value to small business men in competing with large corporate chains.

It is significant that the first case under the Robinson-Patman Act to reach the Commission for decision should have produced such an ironical set of facts. This proceeding was brought under the "brokerage clause"

which prohibits a brokerage agency from passing on to the buyer a commission received from a seller.

It is equally significant that the first complaint filed by the Commission under the Robinson-Patman Act, a case involving the Kraft-Phenix Cheese Corporation, has proved rather weak so far as the Government is concerned. It has been reliably predicted that this case may be dismissed since the testimony showed the discounts allowed in certain sales were not only too small to have had an appreciable effect upon competition, but were available to all purchasers of stated quantities.

#### Only mail order sales now

ANOTHER of the first 22 suits started under the act which probably will be dismissed named Montgomery Ward and Company, Bird and Son, and the Bird Floor Covering Sales Corporation. The Bird concerns were charged with giving discriminatory prices on floor covering to the Chicago mail order house which damaged competition because higher prices were charged to other buyers not mail order houses but which were in competition with Montgomery Ward. It is understood that the Bird concerns stopped dealing with other than mail order houses at about the time the Commission's suit was started, thus eliminating the discriminatory factor.

Much depends upon the outcome of the Biddle case. Indications are that, despite the able case of the respondent, the Commission may sustain the complaint. The Government's brief charges a clear case of violation -all depending upon how you read the Act. Some of its language undoubtedly will find its way into the Commission's decision.

When one considers the Government's own recognition of the value of Biddle to small business men who try to offset chain competition by purchasing through "voluntary chains," it is indeed a paradox that the agency entrusted with enforcing the Act should have even considered interfering with its practices. But Commission attorneys stated they could not go after some of the big chain brokerage agencies without including Biddle as well.

To make the situation even more complicated, the Biddle Purchasing Company, according to its brief before the Commission, was organized in 1879 to do for the small hardware jobbers outside of New York City

something similar to what the Government was supposed to be trying in this Act to do for the small American business man today. The statement in the brief on this point is revealing:

In 1879 New York City was an important point of distribution for manufacturers of hardware. In that city the large hardware manufacturers had their selling offices and jobbers had their buying offices, even though the plants and ware-houses were elsewhere. The small jobber outside New York City, not having adequate facilities to purchase at New York City, was at a disadvantage. To remove that disadvantage, Biddle became a "buying agency for a group of wholesale houses in the hardware business, to give the small jobber a New York office" so that those jobbers would enjoy the same facilities as the large jobber, thereby enabling them to be put on the same basis as the large mass buyer.

Over the years this business has grown so as to take on many different lines. It, however, has always pursued the same policy-to assist the small producer and small buyer to sell and purchase on the same basis as the larger one. That it has justified its existence and that it is an efficient and economical agency, and of great benefit and advantage to both producer and customer, has not only been eloquently proclaimed in the record here by both producers and buyers, but also may be seen from the fact that this business has grown from the small and local beginning, until today it is a far-flung organization having connections with producers and buyers all over the United

Biddle maintains a market information service for which it receives fees ranging from \$25 to \$50 a month from more than 2,400 buyers. It also maintains a list of some 5,000 sellers and constantly handles purchasing transactions between these buyers and sellers. It is from the charge for the marketing information service that Biddle derives its income, and this service is so highly regarded because of the knowledge of market conditions gained by the purchasing agency through these transactions.

#### A change in charges

UNTIL January, the Biddle concern turned over the brokerage received from the seller directly to the buyer, but at that time, as W. H. Schille, vice president, explained in letters to buyers under date of May 6, "we voluntarily discontinued mailing credits for brokerage as we did not wish to continue a practice complained of."

He pointed out, however, that "there has been no decision or interpretation of the Patman Act that would prevent our so doing.'

Under the revised plan, the brokerage earned by Biddle is taken into the company's profits and credited against the fees for service levied upon the buyers. Attorneys for Biddle, one of whom is Donald Richberg, former NRA administrator, have contended right along that the "broker-



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19

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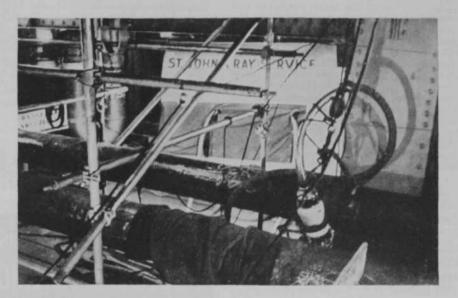


age clause" had no application in this case because the Act clearly states that brokerage may be received "in connection with the sale or purchase of goods" for "services rendered."

There seems to be little question that Biddle renders services to its subscribing buyers for which they should pay. How they should pay would seem to be immaterial, but the Commission may hold otherwise.

No doubt hundreds of companies have fundamentally changed their practices where they were in open and direct conflict with the new law. The fact that the Commission, in the first year, corresponded with "several thousand business concerns which desired information directly from the Commission," and that many business men and their attorneys visited the Commission's offices to obtain first hand data concerning the new law, would indicate that many practices were changed. Many of these changes were probably for the better. For example, some manufacturers undoubtedly stopped giving obviously unfair discounts to certain buyers because they liked the color of their hair or for monopolistic purposes; or discontinued the practice of making handsome advertising allowances to favored retailers at the expense of

#### BELLRINGERS



### A Steel-Piercing Eye

X-RAYS were discovered in 1895 by Prof. Wilhelm Röntgen in Germany. Four days after the discovery was known in America X-rays were successfully used to locate a bullet embedded in the calf of a man's leg. Its use in medicine has been widely proclaimed ever since. Little publicity has been given to its non-medical uses, although it has become a potent factor in testing and examining industrial materials. Early in its development the X-ray was used to detect pearls in oysters; to distinguish between real and artificial gems; to discover the contents of postal parcels; to examine insulation in electric cables.

The radiography of metals was recognized as an important use as early as 1896, according to the Encyclopedia Britannica, when Professor Wright of Yale radiographed a metallic weld and revealed a fracture not apparent to the eye. Lim-

ited power of the X-ray tube prevented development of this field for many years. Through the enterprise of the St. John X-ray Service, Inc., a machine powerful enough to penetrate three inches of steel in a oneminute exposure is now available.

The X-ray tube seen in the foreground is set up on a welded joint in a pressure pipe. The pipe line is built to carry live steam at 950° F. and 1,300 pounds pressure per square inch. The X-ray tube is used to inspect all joints to make certain that they are free from internal defects. The machine itself (shown in the background) is a single tank unit which is mounted rigidly inside a trailer chassis. It is covered with a curtain to prevent dust and dirt from falling on the insulators. It will be used for field inspection of welded bridge and building structures, ships, airplanes and similar metal construction that is subject to severe stress.

the others. On the other hand, many of the information seekers may have wanted to find out how to accomplish their former objectives without violating the letter of the law.

It is true, too, that the Act has not had a fair chance in its first year because of lack of funds and proper administrative staff. The Commission estimated that it spent more than \$60,000 out of its 1936-37 budget to enforce the Act—a mere drop in the bucket when one considers what it might have been had a special staff of investigators, lawyers, and economists been available.

All the work during the first year was done by regular employees on overtime or at the expense of neglecting other aspects of the Commission's regulatory functions.

It is an interesting commentary, in this connection, that the building in which the Federal Trade Commission makes its headquarters and from which it wields its big stick, is right next door to the home of the Chamber of Commerce of the United States, an agency which pioneered in bringing business men together for voluntary adoption of the high standards for which American business is known throughout the world. In the one building you hear about the good things the American business man is doing; in the other, only his mistakes are of interest.

#### A bigger big stick

THE big stick will probably be waved at Robinson-Patman violators more effectively in the coming year when the Commission hopes to have \$450,000 earmarked for enforcement of this law. Unless Congress cuts, or has already cut, the budget by ten per cent since this issue went to press, more attorneys and some economists will be assigned to this work. Lawyers, in particular, will be needed, especially when, after the Commission's first few decisions, the business men, whom the Commission has labeled "guilty," go to the courts.

labeled "guilty," go to the courts.

To sum up, the status of the Robinson-Patman Act after one year on the statute books is by no means certain. Its legs have begun to wobble. If, in addition to the Commission's difficulty in picking cases that stand up, the courts should begin to narrow its application by strict construction, the chances are that much the same old order will continue with the one exception that business men will give so much support to the parts of the Act which fairly and truly serve to eliminate certain well-recognized evils that the Commission will find itself facing a largely self-reformed business world. Most business men still want to be honest.



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COOLER They flex uniformly without that heat-producing "hinging action" of ordinary breaker-strip tires. Heat kills the life of cords and cuts down the miles in a tire. Generals are cool—that's why they run more miles at a lower cost for you.



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TREADS All tires stretch due to fatigue in the fabric, but Generals, having no idle, half-way plies, stretch least of all. The tread is kept compact and compressed against the road—that's why it produces more miles and reduces your cost.

GENERAL TRUCK TIRES

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August • 1937

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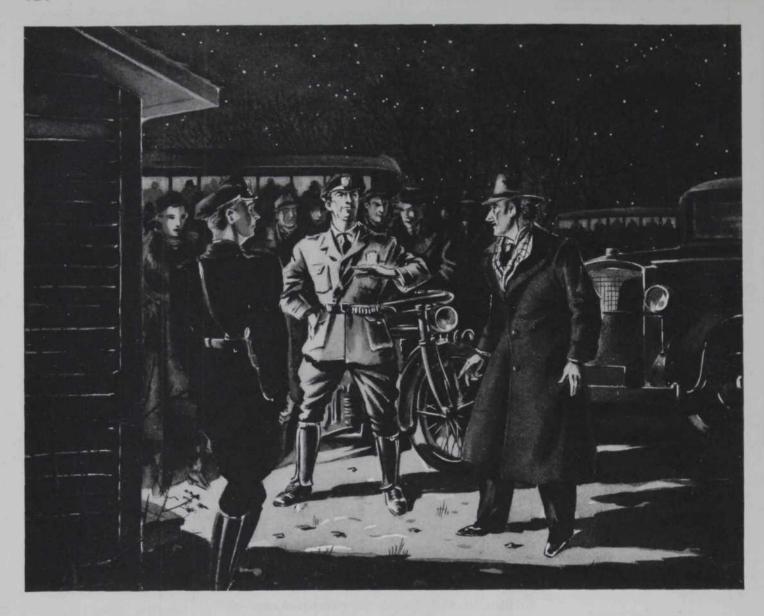
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## Smashing the new frontiers

NE HUNDRED Russian opera singers on a tour of the kerosene circuit were rolling happily toward New York. Suddenly they lurched forward in their seats as the buses which carried them, abruptly curbed by a highway patrol, made an unscheduled stop in a sleepy village at the border of a southern state.

"Where are your — plates?" inquired the patrol, naming the state which the caravan was leaving. "We're just passing through," the singers protested.

Several hours later they left the state behind—and \$200 in vehicle taxes, the cost of automobile license plates for an entire year.

Some days later this state's discriminatory laws against motor vehicles from other states was the subject of a series of articles in the Chicago Tribune.

The campaign quickly registered. Other states proposed to retaliate. Newspapers and public bodies within the offending state joined the chorus of protest. It was not long before the legislature amended the vehicle act, abolishing its more oppressive features.

That was three years ago. Subsequently, in a land which has set the world a glorious example of free intercommunication between sovereign states, six western states established "Ports of Entry." Laws governing specifications of trucks, so conflicting as to make it impossible for a transcontinental carrier to obey all of them, were enacted.

With an eye on these new frontiers set up to harass commerce, the Chicago Tribune in February this year put its auto editor aboard a truck bound from New York to Los Angeles. For three weeks his dispatches reported adventures met in eighteen states—delays at "Ports of Entry," payments of special fees, filing of lengthy documents, annoyances suffered at the hands of the law on a 3,727-mile journey through free America.

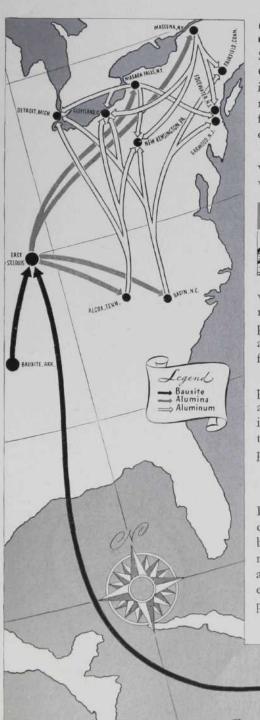
Following publication of the Tribune articles, public opinion was again aroused. Local newspapers have taken up the fight. Truck operators are reporting changed attitudes. In one state "Port of Entry" signs now read "Welcome to ——."

This campaign against oppressive regulations is typical of the sustained fight waged by the Tribune in behalf of the motorist since the earliest days of the automobile,

The results demonstrate anew the confidence of readers and the influence which make the Tribune Chicago's foremost newspaper and most productive advertising medium.



# Nature located things badly for making aluminum in America



Some of it comes from Dutch Guiana, But neither in Arkansas nor in Guiana are the rest of the raw materials handy which are needed for the difficult job of getting metal out of the ore,

First the ore must be refined. So we must transport it to a location where other necessary materials are



within convenient distances. But refining merely produces a whitish powder called alumina (oxide of aluminum) which is a long way from being metal.

To get the metal out of this powder requires an enormous amount of electrical energy. Again it becomes necessary to transport the unfinished product to distant places where great rivers run steep.



In these locations, away from industrial centers, where there has been little demand for power, we must build great dams, reservoirs, and powerhouses to make the essentially low-cost electricity which produces the virgin metal.

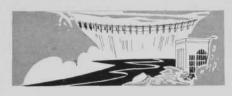
The molten aluminum slowly pour-

ing from a reduction pot at Massena, New York may already have journeyed as much as 5,000 miles just to arrive at the beginning of more stages of alloying and forming into useful shapes for industry. All this



transportation is necessary because we cannot make aluminum cheaply wherever we would like to make it.

These limitations imposed by geography have another aspect. We cannot always increase our capacity for making aluminum as fast as we please. Economical production requires large units. Adding new units involves not merely heavy investment of capital, but years as well.



In planning the program to make aluminum available at the lowest possible price, it is our endeavor to have available a producing capacity which will, as accurately as we can gauge it, satisfy the increasing needs of industry. But it must not be so large that the investment will overburden the cost of the metal, remembering that the investment cost per ton produced is many times larger for aluminum than similar costs for other metals.



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A light smoke-easy on your throat-"It's Toasted"